

**VOLUNTARY CLEANUP CONTRACT
13-6158-NRP**

**IN THE MATTER OF
CHARLESTON NAVAL COMPLEX PARCELS 11, 12, 13A, 13B, 14A, AND 14B,
CHARLESTON COUNTY
and
SOUTH CAROLINA DEPARTMENT OF COMMERCE, DIVISION OF PUBLIC
RAILWAYS**

This Contract is entered into by the South Carolina Department of Health and Environmental Control and the South Carolina Department of Commerce, Division of Public Railways, with respect to the Property located on the former Charleston Naval Complex, North Charleston, South Carolina. The Property includes approximately 110 acres identified by Tax Map Serial Numbers 400-00-00-078, 400-00-00-075, 400-00-00-087, 400-00-00-113, 400-00-00-050, and 400-00-00-180. In entering this Contract, the Department relies on the representations contained in the "Non Responsible Party Application for Voluntary Cleanup Contract" of December 17, 2012, and any amendments thereto, by the South Carolina Department of Commerce, Division of Public Railways, which is incorporated into this Contract and attached as Appendix A.

AUTHORITY

This Contract is entered into pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710 et. seq. (as amended); the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-10, et. seq. (as amended), the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601, et seq., and the South Carolina Pollution Control Act, § 48-1-10 et. seq.

DEFINITIONS

1. Unless otherwise expressly provided in this Contract, terms used herein shall have the meaning assigned to them pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §44-56-710 et. seq. (as amended), and if not set forth therein, shall

VCC 13-6158-NRP

The South Carolina Department of Commerce, Division of Public Railways

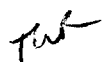
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have the meaning assigned to them pursuant to the South Carolina Hazardous Waste Management Act, S.C. Code Ann. § 44-56-10, et. seq. (as amended), the S.C. Pollution Control Act, S.C. Code Ann. § 48-1-10, et. seq. (as amended), or the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601, et. seq.

- A. "SCDPR" means the South Carolina Department of Commerce, Division of Public Railways.
- B. "AOCs" shall mean Areas of Concern located on the Property.
- C. "Beneficiaries" means SCDPR's Non-Responsible Party lenders, signatories, parents, subsidiaries, and successors, including new purchasers, lessees, and other parties acquiring an interest in any portion of the Property, but only to the extent that such parties have never been a Responsible Party at the Site.
- D. "Change in Land Use" shall mean:
 - i. Any change in the use of the land that would be inconsistent with those specific exposure assumptions in the human health and/or ecological risk assessments or other criteria that served as the basis for selecting the Land Use Controls as part of the final remedial/corrective action;
 - ii. Any activity that may disrupt the effectiveness of the Land Use Controls, including but not limited to: excavation of an AOC; demolition at an AOC; groundwater pumping that may impact a groundwater mixing zone or groundwater corrective action or monitoring program; a construction project that may impact ecological habitat protected by the corrective action; removal of access control; removal of warning signs; or rezoning;
 - iii. Any activity that may alter or negate the need for specific Land Use



Controls.

- E. "CNC" shall mean the Charleston Naval Complex.
- F. "Contamination" means the presence of a contaminant, pollutant, hazardous substance, petroleum, or petroleum product.
- G. "Contract" means this Voluntary Cleanup Contract.
- H. "Department" means the South Carolina Department of Health and Environmental Control, or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.
- I. "Early Transfer Parcels" means those shaded properties identified in the Plat attached as Appendix B (Land Use Restriction Zones and Areas of Concern).
- J. "Existing Contamination" shall mean any Contamination present on, or under, the Property as of the execution date of this Contract.
- K. "Government" shall mean the United States Government.
- L. "Hazardous Substance" means (A) any substance designated pursuant to section 311(b)(2)(A) of the Federal Water Pollution Control Act [33 U.S.C. 1321(b)(2)(A)], (B) any element, compound, mixture, solution, or substance designated pursuant to section 9602 of this title, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act [42 U.S.C. 6921] (but not including any waste the regulation of which under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act [33 U.S.C. 1317(a)], (E) any hazardous air pollutant listed



under section 112 of the Clean Air Act [42 U.S.C. 7412], and (F) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act [15 U.S.C. 2606]. The term does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).

- M. "Land Use Controls" shall mean any mechanism or control that limits the use of and/or exposure to any portion of that property, including water resources, arising from the need to protect human health and the environment. The term encompasses "institutional controls," such as those involved in real estate interests, governmental permitting, zoning, public advisories, deed notices, and other legal restrictions. The term also includes restrictions on access, whether achieved by means of engineering barriers (e.g., fence or concrete pad) or by human means (e.g., the presence of security guards). Additionally, the term includes both affirmative measure to achieve the desired restrictions (e.g., night lighting of an area) and prohibitive directives (e.g., no drilling of drinking water or irrigation wells for the duration of the remedial/corrective action).
- N. "Pollutant or Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any

fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.

- O. "Property" means the real property as described in the Non Responsible Party Application for Voluntary Cleanup Contract attached as Appendix A, and that is subject to the ownership, prospective ownership, or possessory or contractual interest of SCDPR or its Beneficiaries.
- P. "RCRA" shall mean the Resource Conservation and Recovery Act.
- Q. "SCHWMA" shall mean the South Carolina Hazardous Waste Management Act.
- R. "Segregated Sources" means drums, tanks, or similar discrete containers that potentially hold substances that may cause Contamination upon release to the environment.
- S. "Site" means all areas where a contaminant has been released, deposited, stored, disposed of, or placed or otherwise comes to be located; "site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA section 101 (28).
- T. "SWMU" shall mean solid waste management units located on the Property.
- U. "Waste Materials" means any Contamination-causing solid, semi-solid, or liquid material discarded, buried, or otherwise present on the Property, and may include sludge, slag, or solid waste materials such as empty containers and demolition debris or materials containing asbestos, lead-based paint, or petroleum or other

contaminants.

FINDINGS

2. Based on the information known by or provided to the Department, the following findings are asserted for purposes of this Contract:

A. Owners and Operators: The owners and operators of the Property include the following:

Parcel 11

US Government

27.05 acre parcel	Pre-1940 – 11/15/02
2.27 acre parcel, 9.72 acre parcel	Pre-1940 – 8/19/04
5.68 acre parcel, 50.71 acre parcel	Pre-1940 – 8/19/04
7.02 acre parcel, 13.59 acre parcel	Pre-1940 – 7/12/05

CNC Redevelopment Authority

27.05 acre parcel	11/15/02 – 4/2/03
2.27 acre parcel, 9.72 acre parcel, 5.68 acre parcel, 50.71 acre parcel	8/19/04 – 12/21/04
7.02 acre parcel, 13.59 acre parcel	7/12/05 – 10/19/05

City of North Charleston

12.069 acres of the 27.05 acre parcel	4/2/03 – 9/21/07
2.27 acre parcel, 5.68 acre parcel, and 20.679 acres of the 50.71 acre parcel	12/21/04 – 9/21/07
9.72 acre parcel	12/21/04 – 2/10/10
7.02 acre parcel, 13.59 acre parcel	10/19/05 – 9/21/07

Clemson University

12.069 +/- acre parcel, 2.27 acre parcel, 5.68 acre	9/21/07 – Present
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TWK

parcel, 20.679 +/- acre parcel, 7.02 acre parcel, 13.59
acre parcel

9.72 acre parcel 2/10/10 - Present

*Tract 11 was formerly several parcels of land that were later combined into one
tract.

Parcel 12

United States Government	Pre-1940 to 8/19/04
Charleston Naval Complex Redevelopment Authority	8/19/04 to 12/21/04
City of North Charleston	12/21/04 to Present

Parcel 13A

United States Government	Pre-1940 to 11/15/02
Charleston Naval Complex Redevelopment Authority	11/15/02 to 4/2/03
City of North Charleston	4/2/03 to Present

Parcel 13B

United States Government	Pre-1940 to 7/10/03
Charleston Naval Complex Redevelopment Authority	7/10/03 to 12/21/04
City of North Charleston	12/21/04 to Present

Parcel 14A

United States Government	Pre-1940 to 8/19/04
Charleston Naval Complex Redevelopment Authority	8/19/04 to Present

Parcel 14B



United States Government

Pre-1940 to 7/12/05

Charleston Naval Complex Redevelopment Authority

7/12/05 to Present

- B. Property and Surrounding Areas: The Property, composed of Parcels 11, 12, 13A, 13B, 14A, and 14B, is located on the former CNC. Specifics regarding these parcels are as follows:

Parcel 11

Parcel 11 is approximately 69.96 acres in size and comprises two parcels identified as TMS #'s 400-00-00-050 and 180. Parcel 11 is bounded generally to the north by the shipyard, the former CNC Powerhouse Building, SCE&G substations, SPAWAR facilities, and large parking lots to the northwest and northeast; to the east by the shipyard, Charleston Commissioner of Public Works, Neal Brothers Packing Company, Dry Docks 3 and 4, the South Carolina Port Authority (SCPA) Veterans Terminal, and the Cooper River; to the south by the former Fuel Tank Farm (AOC 626), residential properties, and wetlands across Bainbridge Avenue; to the west by residential/commercial properties. The majority of Parcel 11 consists of recreational areas, athletic fields, and picnic grounds, as well as numerous vacant structures, and five large-capacity and inactive above ground storage tanks (ASTs) associated with the former Fuel Distribution System (FDS). Parcel 11 is currently subject to VCC 07-5044-NRP between the Department and Clemson University.

Parcel 11 was the subject of RCRA Facility Investigations (RFIs), Environmental Baseline Investigations, and Interim Measures and Corrective Action reports. SWMUs 3, 24, 107, 117, 607, 609, 611, 622, 623 – 626, 710, FDS Areas 12 – 16, 19 and 21 are located on Parcel 11. For SWMU 607, 14 surface soil samples and four subsurface soil samples were previously collected within the footprint of the dry cleaning building associated with AOC 607 (Building 1189). The collected soil



samples were analyzed for volatile organic compounds at a minimum.

Parcel 12

Parcel 12 is approximately 10 acres in size and is identified by TMS# 400-00-00-078. Parcel 12 is bounded generally to the north by the former Fuel Tank Farm (AOC 626) and the SCDPR Wind Turbine Test Facility (WTTF); to the east by SCPA Veterans Terminal and the Cooper River; to the south by SCDPR Parcels 13B and 18, residential properties, and Bainbridge Avenue; to the west by residential/commercial properties. ASTs 3900E, 3916, and 3917 are located on Parcel 12. Parcel 12 is primarily covered by grass, though much of the area consists of berms filled with gravel surrounding the large ASTs. Athletic fields are located southwest of the ASTs. Parcel 12 is currently subject to VCC 03-5044-NRP between the Department and the City of North Charleston.

Parcel 12 was the subject of RFIs, Environmental Baseline Investigations, and Interim Measures and Corrective Action reports. FDS Areas 8, 11, 20, and 21 are located on Parcel 12.

Parcel 13A

Parcel 13A is approximately 1.5 acres in size and is identified as a portion of the larger TMS# 400-00-00-075. Parcel 13A is bounded generally to the north by the shipyard (including Dry Docks 1, 2, 5), the former CNC Powerhouse Building, SCE&G substations, SPAWAR facilities, and large parking lots to the northwest and northeast; to the east by the shipyard, Charleston Commissioner of Public Works, Neal Brothers Packing Company, and the Cooper River; to the south by former Fuel Tank Farm (AOC 626); to the west by residential/commercial properties. Parcel 13A is predominately paved and covered by building foundations. Parcel 13A is currently subject to VCC 03-5044-NRP between the Department and the City of North Charleston.

No SWMUs or Areas of Concern (AOCs) are located on Parcel 13A.

Parcel 13B

Parcel 13B is approximately 6.4 acres in size and is identified as a portion of the larger TMS# 400-00-00-075. Parcel 13B is bounded generally to the north by the former Fuel Tank Farm (AOC 626) and shipyard; to the east by SCSPA Veterans Terminal; to the south by SCSPA Veteran's Terminal, residential properties, wetlands across Bainbridge Avenue, and private commercial property used for shipping container repair and storage; to the west by residential/commercial properties. The area is mostly covered in grass and there are no structures present on Parcel 13B. Parcel 13B is currently subject to VCC 03-5044-NRP between the Department and the City of North Charleston.

Parcel 13B was the subject of RFIs, Environmental Baseline Investigations, and Interim Measures and Corrective Action reports. FDS Areas 8, 11 and 20 are located on Parcel 13B.

Parcel 14A

Parcel 14A is approximately 21.66 acres in size and is identified by TMS# 400-00-00-087 and a portion of TMS# 400-00-00-102. Parcel 14A is bounded generally to the north by the former FDS and dry docks along the Cooper River and the SCDPR WTTF; to the east by SWMU 9 and SCSPA Veterans Terminal with the Federal Law Enforcement Training Center beyond; to the south by wetlands across Bainbridge Avenue, and private commercial property used for shipping container repair and storage; to the west by the former CNC Fuel Tank Farm (AOC 626) and residential/commercial properties. The area is mostly covered by dense vegetation and grassy areas. Parcel 14A may be subject to VCC 04-5044-NRP/RP between the Department and the Charleston Naval Complex Redevelopment Authority.

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Parcel 14A was the subject of RFIs, Environmental Baseline Investigations, and Interim Measures and Corrective Action reports. SWMU 11, AOCs 627 and 634, and FDS Areas 7, 20, and 22 are located on Parcel 14A. FDS Area 22 (AOC 732) is a recently discovered naphthalene release currently subject to annual groundwater monitoring.

Parcel 14B

Parcel 14B is approximately 0.51 acres in size and is identified by TMS# 400-00-00-113. Parcel 14B is bounded generally to the north by South Hobson Avenue, the former FDS Areas 9 and 10, and the Cooper River; to the east by Parcel 14A, SWMU 9 and SCSPA Veterans Terminal; to the south by Parcel 14A, Building 224 and Bainbridge Avenue; to the west by Parcel 14A and the former CNC Fuel Tank Farm (AOC 626). Parcel 14B may be subject to VCC 04-5044-NRP/RP between the Department and the Charleston Naval Complex Redevelopment Authority.

Parcel 14B was the subject of RFIs, Environmental Baseline Investigations, and Interim Measures and Corrective Action reports. AOC 633 and FDS Area 22 (AOC 732) are located on Parcel 14B. Contaminants at AOC 633 include PCB and LNAPL. The interim measure pertaining to AOC 633 includes passive recovery, long-term monitoring, and land use controls. FDS Area 22 (AOC 732) is a recently discovered naphthalene release currently subject to annual groundwater monitoring.

- C. Applicant Identification: SCDPR is an agency in the State of South Carolina with its principal place of business located at 540 East Bay Street, Charleston, South Carolina, 29403. SCDPR affirms that it has the financial resources to conduct the response action pursuant to this Contract.

- D. Proposed Redevelopment: SCDPR will acquire the Property and intends to develop



the Property as a portion of the railway intermodal facility, a railroad right of way, supporting structure for the railroad intermodal facility, and possible mixed use economic development.

BONA FIDE PROSPECTIVE PURCHASER STATUS

3. SCDPR certifies that it is not a current owner of the Property, or parent, successor or subsidiary of a current or past owner of the Property; is not a Responsible Party for the site, or a parent, successor or subsidiary of a Responsible Party for the site; and has not had any involvement with the Property in the past other than activities performed in anticipation of participation in the Voluntary Cleanup Program. SCDPR also certifies that it is eligible to be a Bona Fide Prospective Purchaser for the Property.

RESPONSE ACTION

4. SCDPR agrees to conduct the response actions specified in the sub-paragraphs below.
An initial Work Plan shall be submitted by SCDPR, or its designee, within thirty (30) days after the date of execution of this Contract by the Department, or such earlier or later date if approved by the Department's project manager. A Report of the assessment results shall be submitted by SCDPR, or its designee in accordance with the schedule provided in the initial Work Plan. SCDPR acknowledges that the assessment may find distributions of Existing Contamination requiring additional assessment and/or corrective action on the Property that cannot be anticipated with this Contract. If not addressed by the Government as required by their RCRA Permit, SCDPR agrees to perform the additional assessment and/or corrective action consistent with the intended uses of the Property under the purview of this Contract; however, SCDPR may seek an amendment of this Contract to clarify its further responsibilities. SCDPR shall perform all actions required by this Contract, and any related actions of SCDPR's choosing not expressly required by this Contract, pursuant to Work Plans and/or Addenda approved by the Department. SCDPR will provide the Government with a copy of the Work Plan and all associated reports upon submittal to

the Department. Copies to the Government will be addressed as follows:

Remedial Project Manager
BRAC Program Management Office SE
2155 Eagle Drive
N. Charleston, South Carolina 29419-9010

A. Work Plan Logistics:

- 1). The Work Plan(s) shall set forth a schedule and methods for assessment and corrective action activities detailed herein.
- 2). The Work Plan(s) shall be submitted to the Department in the form of one hard copy and one electronic copy of the entire Work Plan on a compact disk (in .pdf format).
- 3). All activities undertaken pursuant to this Contract shall be consistent with S.C. statutes, regulations, and permitting requirements (e.g., stormwater management and waste disposal regulations). SCDPR shall identify and obtain the applicable permits before beginning any action.
- 4). The Work Plan shall be in accordance with the Process to Conduct Construction Activities in Areas under Land Use Controls at the Charleston Naval Complex, Revision 3 dated April 2007, found in Appendix D for new construction and/or renovations in areas of the Complex that are subject to corrective action by the Government and/or Land Use Controls.
- 5). The Work Plan(s) shall be in accordance with accepted industry standards and shall be signed and sealed by a Professional Engineer or Professional Geologist duly-licensed in South Carolina.
- 6). The Work Plan(s) shall provide detailed information about the proposed sampling points, collection methods, analytical methods, quality assurance procedures, and other pertinent details of the assessment and/or corrective measures activities consistent with the following:

- a). Sample collection methodologies shall be consistent with the US EPA Region IV Field Branches Quality System and Technical Procedures.
 - b). All monitoring wells and groundwater sampling points shall be constructed in accordance with 25 S.C. Code Ann. Regs. R.61-71, the South Carolina Well Standards. The Work Plan shall provide sufficient detail to support issuance of the well approvals by the Department.
 - c). The laboratory analyses for samples taken pursuant to the Work Plan are specified in the media-specific sub-paragraphs below, but may include any of the following:
 - i. the full EPA Target Analyte List (TAL);
 - i). EPA Target Analyte List excluding cyanide (TAL-Metals);
 - ii. the full EPA Target Compound List (TCL);
 - i). EPA Target Compound List Volatile Organic Compounds (TCL-VOCs);
 - ii). EPA Target Compound List Semi-Volatile Organic Compounds (TCL-SVOCs);
 - iii). EPA Target Compound List Pesticides (TCL-Pesticides);
 - iv). EPA Target Compound List Polychlorinated Biphenyls (TCL-PCBs).
 - d). All analytical methods shall use appropriate detection levels to allow comparison to the media-specific screening criteria listed in the "EPA Regional Screening Levels for Chemical Contaminants at Superfund Sites" in effect at the time of sampling. The applicable Protection of Groundwater SSL for soil samples shall be the "MCL-Based SSL", if listed. If the applicable screening criteria are lower than achievable detection levels, the analytical method shall use the lowest achievable detection levels.
- 7). The Work Plan shall include the names, addresses, and telephone numbers of SCDPR's consulting firm(s), analytical laboratories, and SCDPR's contact

person for matters relating to this Contract and the Work Plan.

- a). The analytical laboratory shall possess applicable Certification defined in 25A S.C. Code Regs. R.61-81, for the test methods specified in the Work Plan.
- b). SCDPR shall notify the Department in writing of any changes concerning the consulting firm(s), contact person(s), or laboratory identified in the Work Plan.
- 8). The Department will notify SCDPR in writing of approvals or deficiencies in the Work Plan.
- 9). SCDPR, or its designee, shall respond in writing within thirty (30) days of receipt of any comments on the Work Plan by the Department.
- 10). SCDPR shall begin implementation of the Work Plan as soon as reasonably possible after receipt of written approval of the Work Plan by the Department.
- 11). SCDPR shall inform the Department at least five (5) working days in advance of all field activities conducted pursuant to the Work Plan, and shall allow the Department, or its authorized representatives, to take duplicates of any samples if desired.
- 12). SCDPR shall preserve items on the Property that may: 1) provide evidence of a Potentially Responsible Party's involvement at the Site; 2) lead to the discovery of other areas of Contamination at the Site; or 3) contain environmental information related to the Site. Such items may include drums, bottles, labels, business and operating records, contracts, Site studies, investigations, and other physical or written materials relating to the Site. SCDPR shall notify the Department of the location of any such items, and provide the Department with an opportunity to inspect any materials or copy any documents at the Department's expense prior to destruction of said items.

B. Report Logistics

- 1). Report(s) shall be prepared in accordance with accepted industry standards and shall be certified by signature and seal of a Professional Engineer or Professional Geologist duly licensed in South Carolina.



- 2). The Report(s) of assessment and/or corrective measures activities shall include a discussion of investigation methods and any deviations from the Department approved Work Plan. The Report shall also include tables and figures to summarize all data, a surveyed map documenting sampling locations, documentation of field observations including well core logs, sample descriptions, field screening results, and all laboratory analytical data.
- 3). All Report(s) shall be submitted to the Department in the form of one hardcopy and one electronic copy of the entire Report on a compact disk (in .pdf format).

C. Assess Waste Materials and Segregated Sources:

- 1). SCDPR shall characterize all Waste Materials and Segregated Sources identified below. Assessment shall include an evaluation of contaminant concentrations and an estimation of the quantity or extent of each type of Waste Material or Segregated Source, as applicable, or as specified below.
 - a). All ASTs (with indications of a release), with the exception of the ASTs identified in Paragraph 4.E, below, present on the Property and associated fuel distribution lines.
 - b). SCDPR shall evaluate the source of the sheen identified on the standing water present in the interior pump area of Building 98 (Parcel 11).
 - c). SCDPR shall remove and properly dispose of the chemicals present in Buildings 1653 and 1654 (Parcel 11).
- 2). SCDPR shall also characterize any other Waste Material and Segregated Sources that may be discovered on the Property at any time during assessment, corrective action, or development activities in accordance with a Department approved plan.
- 3). Upon discovery of any Segregated Source that has not yet released all contents to the environment, SCDPR shall expeditiously stabilize or remove the Segregated Source from the Property
- 4). SCDPR shall immediately notify the Department if a release of Contamination

occurs as a result of its assessment, stabilization or removal actions. SCDPR shall assess the impact of the release and take necessary action in accordance with a Department approved plan.

D. Conduct a well survey:

- 1). SCDPR shall map all public and private wells used for drinking water supply within a one-half mile radius of the Property, and wells used for irrigation or other non-drinking water use within a one-quarter mile radius.
- 2). SCDPR shall report sufficient information to the Department to allow the Department to secure permission to sample the wells. At a minimum, this information shall include the: 1) Location of the well; 2) Identity and mailing address of the well owner; and, 3) Telephone number, if publicly available or otherwise known to SCDPR, of the well owner or occupant of the residence served by the well.

E. Assess soil quality across the Property:

- 1). SCDPR shall collect one surface soil sample (0-1 foot below ground surface) and one subsurface soil sample (2 foot minimum depth) from each of the following locations:
 - a). Upon determination of the locations of stormwater management ponds, SCDPR agrees to collect one surface and one subsurface soil sample from two locations within each of the pond areas. All samples shall be analyzed for VOCs, SVOCs, and TAL metals.
 - b). Upon demolition of ASTs 3900-F, , 3900E, 3916, and 3917 on the Property, surface and subsurface soil samples shall be collected from three locations within the footprint of each tank. Samples shall be biased toward staining or other evidence of a release, if present. Upon demolition of ASTs 3901-A, 39-A, 39-D, and 3915 on the Property, surface and subsurface soil samples shall be collected from two locations within the footprint of each tank.

Samples shall be biased toward staining or other evidence of a release, if present.. Each of the surface and subsurface soil samples shall be analyzed for VOCs, SVOCs, and TAL metals.

- 2). Unless otherwise specified above, each surface soil sample shall be analyzed for TAL-Metals and SVOCs. Each subsurface sample shall be analyzed for TAL-Metals, VOCs and SVOCs. A minimum of 2 surface and 2 subsurface samples from a probable impacted area within the footprint of the AST(s) shall be analyzed for the full EPA-TAL and EPA-TCL.
- 3). Soil quality results shall be compared to the Residential and Industrial Screening Levels and to the applicable Protection of Groundwater SSL.

F. Assess groundwater quality:

- 1). SCDPR shall assess groundwater quality on the Property.
 - a). Upon determination of the locations of stormwater management ponds, SCDPR agrees to collect one shallow groundwater sample from one location within each of the pond areas. SCDPR also agrees to collect one shallow groundwater from one location between each pond area and the nearest potential source of contamination (AOC 607, SWMU 3, tank farm located near Tank Farm Loop, or tank farm located near Viaduct Road).
- 2). Groundwater samples shall be analyzed for VOCs, SVOCs, and TAL Metals. If the stormwater management pond is located near SWMU 3, groundwater samples shall be analyzed for VOCs, SVOCs, TAL Metals, and pesticides.
- 3). Groundwater quality results shall be compared to the primary maximum contaminant level (MCL) standards in the South Carolina State Primary Drinking Water Regulations, R.61-58, or, if not specified in R.61-58, to the Regional Screening Tables values for "Tapwater."

G. Evaluate and control potential impacts to indoor air:

- 1). SCDPR shall evaluate potential impacts to indoor air if the Department

determines significant concentrations of volatile organic compounds are present in the subsurface. The Department will use a modified Johnson and Ettinger Model to determine "Significant concentrations" based on representative soil and/or groundwater quality results reflective of the Property. The model will be constrained towards predicting commercial exposures consistent with the building construction on the Property.

- 2). This evaluation shall, unless otherwise agreed to by the Department, consist of collection and analysis of indoor air samples from within the building during two separate sampling events approximately six months apart. One sample shall be collected per every 1000 square feet of building footprint potentially subject to Vapor Intrusion. One sampling event shall be in the winter. Each sampling event shall include collection of a representative number of indoor air samples for laboratory analysis of all site-related volatile organic constituents. The samples collected for laboratory analysis may use either active or passive collection methods provided the same protocol is used for both sampling events. The method shall be capable of detecting gas concentrations at screening levels indicative of a 10^{-6} risk. The applicable screening concentrations shall be based upon the EPA OSWER "Draft Guidance for Evaluating the Vapor Intrusion to Indoor Air Pathway from Groundwater and Soils" or supplemental EPA guidance.
- 3). The Department may allow SCDPR to implement vapor intrusion control measures in lieu of the above evaluation, or use alternative evaluation methods that, in the Department's sole discretion, offer a similar degree of data usability.
- 4). SCDPR shall submit an addendum to the Work Plan detailing the steps for further study and/or remedial or other control management measures to be implemented if the predicted and/or measured indoor air concentration exceeds a 10^{-6} risk calculated for occupational exposure (40 hrs/wk, 50 wk/yr, 25 yrs). The Department shall give reasonable consideration of data or other

demonstration that shows unacceptable exposures inside the building do not result from the subsurface conditions.

H. Institute reasonable Contamination control measures:

- 1). SCDPR shall stabilize or remove from the Property any Segregated Sources of Contamination that have not yet released all contents to the environment.
 - a). The contents of the Segregated Sources shall be properly reused or disposed of in accordance with regulations.
 - b). SCDPR shall document the characterization results and ultimate disposition of the materials to the Department within sixty (60) days of removal of any material from the Property.
- 2). SCDPR shall take reasonable measures to limit or prevent human exposure to Existing Contamination on the Property:
 - a). Corrective measures shall be required for Waste Materials and Contamination present in any media on the Property with concentrations in excess of appropriate human-health risk-based exposure standards with plausibly complete routes of exposure.
 - i. SCDPR may request Department approval to conduct a site-specific risk assessment to determine levels of Contamination that are acceptable for the intended use of the Property. The risk assessment shall be conducted in accordance with EPA Risk Assessment Guidance for Superfund. Prior to conducting the risk assessment, SCDPR shall submit for Department approval, an overview of risk assessment assumptions including identification of contaminant exposure routes, the type and duration of possible exposures, the magnitude of exposure, and any data gaps that need to be addressed to complete the risk assessment.
 - ii. Corrective measures may include removal, encapsulation, barriers, or other methods reasonably expected to limit human exposures to the

Contamination. The corrective measures shall be proposed in a Corrective Measures Plan to be approved by the Department prior to implementation, and shall be consistent with the intended future use of the Property.

- iii. Upon completion of any corrective measures, SCDPR shall provide a Corrective Measures Report to document satisfactory completion of the corrective measures for Department review and approval prior to obtaining a Certificate of Completion.

I. Monitor and/or abandon the monitoring wells:

- 1). SCDPR shall implement a groundwater-monitoring program if required by the Department. Continued monitoring requirements will be based on the Department's determination of potential adverse effects on nearby receptors, i.e., individuals that are presently or potentially exposed to Contamination.
- 2). The Department will determine the frequency and duration of the monitoring program on a case-specific basis.
- 3). SCDPR shall abandon the monitoring well(s) when the Department determines there are no further needs for wells. The wells shall be abandoned in accordance with R.61-71 of the South Carolina Well Standards.

J. Land Use Controls for Early Transfer Parcels

- 1). SCDPR, its successors, and assigns shall provide written notification to the Department and the Government at least ninety days (90) (except in emergency situations where notice should be given as soon as practicable) prior to implementation of any change in land use affecting the SWMUs and/or AOCs as identified in the RCRA Hazardous Waste Permit Number SC0170022560 Appendix A-1. Any proposed changes in land use shall be consistent with the RCRA Hazardous Waste Permit Number SC0170022560. The Department must provide concurrence with the contemplated change.

- 2). No land use change affecting the SWMUs and/or AOCs shall be implemented until the Department's response is received. The request for land use change shall include the following, at a minimum:
 - i. An evaluation of whether the anticipated land use change will pose unacceptable risks to human health and the environment or negatively impact the effectiveness of the selected corrective action;
 - ii. An evaluation of the need for any additional corrective action or LUCs resulting from implementation of the anticipated land use change, and;
 - iii. A proposal for any necessary changes in the selected corrective action.
- 3). If the Department determines that additional corrective action by the Government is required prior to the implementation of the requested land use change affecting the SWMUs and/or AOCs, SCDPR, its successors, and assigns shall cooperate fully with the Department and the Government in the performance of the additional corrective action. SCDPR shall not initiate the requested change in land use prior to authorization from the Department and shall abide by any conditions with regard to the land use change as may be imposed by the Department. Except as provided herein, SCDPR, its successors, and assigns shall not be deemed to have accepted responsibility for any corrective action required by the Department, including the final corrective action with respect to the SWMUs and/or AOCs identified in the RCRA Hazardous Waste Permit Number SC0170022560 Appendix A-1.
- 4). As long as the LUCs remain on the Early Transfer Parcels, the Government shall remain responsible for the maintenance of the LUCs including, but not limited to, maintenance of any groundwater monitoring and remedial action activities and/or systems on the Property. Further, as long as the LUCs remain on the Early Transfer Parcels, SCDPR, its successors, and assigns shall

conduct inspections at the frequency specified in the most recently approved Corrective Measures Implementation Workplan or other Corrective Action document approved by the Department, for the SWMUs and/or AOCs identified in Appendix A-1 of RCRA Hazardous Waste Permit SC0170022560. Until final Corrective Measures are selected for each AOC and the modified RCRA permit is effective, the appropriate LUCs inspection frequencies shall be included in the Interim Measure Work Plan for Interim LUCs. These inspections shall be for the purposes of verifying that all necessary LUCs have been implemented and are being properly maintained. Appendix E provides the currently approved Land Use Controls and Inspection Frequency for the Charleston Naval Complex SWMUs and AOCs, dated August 2004.

With respect to the LUCs inspection as provided for herein, SCDPR, its successors, and assigns shall be responsible for the following:

- i. Ensure that all required inspections are performed;
- ii. Ensure that the Department and the Government are provided with thirty (30) days advance notice of, and opportunity to observe facility personnel as they conduct at least one of the inspections each year;
- iii. Ensure that the Department and the Government are notified in writing within thirty (30) days of any deficiencies noted;
- iv. Allow access to the Government to ensure that all appropriate measures are undertaken within thirty (30) days to correct any deficiencies and that the Department is notified timely and in writing of measures taken.

SCDPR, its successors, and assigns shall not be deemed to have accepted responsibility for correcting any deficiencies regarding the LUCs by virtue of ownership of the Early Transfer Parcels unless and until SCDPR, its successors, and/or assigns expressly assume responsibility for correcting deficiencies regarding the LUCs. If SCDPR, its successors, and assigns expressly and voluntarily assume responsibility for correcting any deficiencies regarding the LUCs, then it shall ensure that all appropriate measures are undertaken within thirty (30) days to correct any deficiency(ies) and that the Department is notified timely in writing of measures taken. If thirty (30) days is not sufficient time to correct the deficiency(ies), SCDPR, its successors, and assigns shall submit a written request for an extension to the Department. The written request must provide the rationale for the extension and a projected timeframe for rectifying the deficiency(ies).

- 5). SCDPR, its successors and assigns shall prepare and forward an annual report to the Government certifying the continued maintenance of all LUCs associated with the SWMUs and/or AOCs identified in RCRA Hazardous Waste Permit Number SC0170022560 Appendix A-1.
- 6). SCDPR, its successors and assigns shall follow the Process to Conduct Construction Activities in Areas under Land Use Controls at the Charleston Naval Complex, Revision 3 dated April 2007, found in Appendix D for new construction and/or renovations in areas of the Complex that are subject to corrective action by the Government and/or Land Use Controls.
- 7). While the Government has the responsibility of meeting any and all requirements of this paragraph pursuant to RCRA Hazardous Waste Permit Number SC0170022560, SCDPR, its successors, and assigns have responsibility to meet the requirements as stated in this Contract.

- 8). Upon transfer of all or a portion of the Early Transfer Parcels subject to LUCs, SCDPR, its successors and assigns shall provide the Department and the Government with a copy of the recorded Deed effecting such transfer, along with any supporting information, within ten (10) days of transfer.

Should the decision be made to transfer the Early Transfer Parcels that is subject to LUCs, or any portion thereof, to any other agency, private person, or entity, either ownership interest, or some lesser form of property interest (e.g., an easement, or right of way, etc.), then SCDPR, its successors, and assigns shall ensure that at a minimum in accordance with South Carolina Hazardous Waste Management Regulation 61-79.270.42:

With respect to the Early Transfer Parcels subject to LUCs, the Department and the Government are provided written notification prior to the initiation of the property conveyance process. This notification must be submitted at least ninety (90) days prior to the property conveyance and shall indicate the following:

- i. The type of property conveyance (e.g., an easement, or right of way, etc.);
- ii. The anticipated final date for the conveyance;
- iii. Future property owners;
- iv. A list of SWMUs and/or AOCs affected by the conveyance; and,
- v. Mechanism(s) that will be used to maintain any LUCs which may need to remain in place after the property conveyance.

For the Department, this notice shall be made to the following:

Director of Waste Management and

Director of Site Assessment, Remediation, and Revitalization
Bureau of Land & Waste Management
South Carolina Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

For the Government, this notice shall be made to the following:

Remedial Project Manager
BRAC Program Management Office SE
2155 Eagle Drive
N. Charleston, South Carolina 29419-9010

All LUCs for SWMUs and/or AOCs identified in the RCRA Hazardous Waste Permit Number SC0170022560 Appendix A-1 and located on the Property must be incorporated into the property conveyance documents so that the grantee(s) is given adequate notice of existing site condition(s). The details of the LUCs provided in the property conveyance documents must be consistent with the details in the document where the final corrective action implementation was approved by the Department.

It is understood that for the planned conveyance of the Early Transfer Parcels with SWMUs and/or AOCs identified in the RCRA Hazardous Waste Permit Number SC0170022560 Appendix A-1, the Department will re-evaluate the continued appropriateness of any previously agreed upon LUCs based upon the level of assurance provided, to ensure that necessary LUCs will be maintained and enforced.

HEALTH AND SAFETY PLAN

5. SCDPR shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan consistent with Occupational Safety and Health Administration regulations. The Health and Safety Plan shall be submitted to the Department in the form of one hard copy and one electronic copy of the Health and Safety Plan on compact disk (in .pdf format). SCDPR agrees that the Health and Safety plan is

submitted to the Department only for informational purposes. The Department expressly disclaims any liability that may result from implementation of the Health and Safety Plan by SCDPR.

PUBLIC PARTICIPATION

6. SCDPR and the Department will encourage public participation to implement this Contract as follows:

- A. The Department will provide notice, seek public comment, and initiate a thirty-day claim contribution notification period in accordance with established procedures consistent with S.C. Code Ann. §44-56-750 upon signature of this Contract by SCDPR.
- B. SCDPR shall erect a sign at major entrances onto the Property or other locations routinely accessible by the public. The sign(s) shall be erected no later than one day after the Department's public announcement about the Contract in a newspaper of general circulation in the community.
 - 1). The sign will state "Voluntary Cleanup Project by the South Carolina Department of Commerce, Division of Public Railways under Voluntary Cleanup Contract 13-6158-NRP with the South Carolina Department of Health and Environmental Control." The sign shall provide a brief description of the scope of activities under the Contract, and contact information, including telephone number and address, for a representative of SCDPR. Contact information for the Department shall state "TOLL-FREE TELEPHONE: 1-866-576-3432".
 - 2). All sign lettering must be of sufficient size to be legible with un-aided normal eyesight from the point where the public will normally pass by the Property without intruding onto the Property.
 - 3). SCDPR shall submit photographs of the sign(s) and a Property drawing showing the location(s) of the signs. The photographs shall be submitted to the

Department within 10 days of erecting the sign.

- 4). SCDPR agrees to revise the sign if the Department determines the sign is inaccurate, not legible, or otherwise ineffectively placed.
- 5). SCDPR shall maintain the sign(s) in legible condition and at visible locations throughout the duration of the Contract period until a Certificate of Completion is issued on the Property.
- 6). The sign(s) may be removed to accommodate building or grading activities; however, SCDPR shall restore the sign within two (2) days to its original location, or other publicly accessible location upon notice to the Department.

PROGRESS UPDATES

7. SCDPR shall submit periodic written updates to the Department's project manager until such time as all activities related to the Property are complete pursuant to this Contract. The first update shall be due within 90 days of the Work Plan approval and semi-annually thereafter.
 - A. The updates may be in summary letter format, but should include information about:
 - 1). The actions taken under this Contract during the previous reporting period;
 - 2). Actions scheduled to be taken in the next reporting period;
 - 3). Sampling, test results, and any other data in summary form, generated during the previous reporting period regardless of whether the data was collected pursuant to this Contract; and,
 - 4). A description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.
 - B. The Department's project manager may allow an extended schedule between updates based on case specific conditions.

SCHEDULE

8. SCDPR shall perform all activities and response actions pursuant to this Contract in an expeditious manner. In the event that circumstances cause a delay in implementation of the response actions, the Department may require implementation of interim measures to stabilize Contamination or prevent unacceptable exposures. SCDPR shall implement the interim measures in accordance with a Department-approved plan.

DECLARATION OF COVENANTS AND RESTRICTIONS

9. Since hazardous substances or hazardous constituents in excess of residential standards exist on the Early Transfer Parcels, the Early Transfer Parcels are being transferred to SCDPR subject to land use restrictions which have been defined in a Declaration of Covenants and Restrictions (Declaration) entered into by the RDA and the Department on August 11, 2005 and recorded with the Office of Register Mesne Conveyance for the County of Charleston in Book J550, at Page 560. The recorded Declaration is incorporated into this Contract as Appendix C. With the approval of the Department, the Declaration may be modified in the future if: (a) additional remedial activities are carried out which meet appropriate cleanup standards at that time; (b) a significant change in law requiring remediation occurs; or (c) circumstances change such that the restrictive covenant would no longer be applicable.
10. For portions of the Property not covered under the Declaration described in Paragraph 9 above, SCDPR or its Beneficiaries shall enter, and record, a Declaration of Covenants and Restrictions (Declaration) for the Property if Contamination exceeds levels acceptable for unrestricted use after completing the response actions pursuant to this Contract. Contaminant levels acceptable for unrestricted use shall be the Screening Levels for Resident Soil as specified in the EPA Regional Screening Levels for Chemical Contaminants at Superfund Sites for soil, and the primary maximum contaminant level (MCL) standards in the South Carolina State Primary Drinking Water Regulations, R.61-58 for groundwater.

- A. The Department shall prepare and sign the Declaration prior to providing it to SCDPR. An authorized representative of SCDPR or its Beneficiaries shall sign the Declaration within ten (10) days of receipt. All signatures shall be witnessed, and signed and sealed by a notary public.
- B. SCDPR or its Beneficiaries shall record the executed Declaration with the Registrar of Deeds or Mesne Conveyance for the county where the Property is located.
- C. SCDPR or its Beneficiaries shall provide a copy of the recorded Declaration to the Department within sixty (60) days of the Department's execution. The copy shall show the date and Book and Page number where the Declaration has been recorded.
- D. In the event that Contamination exceeds levels acceptable for unrestricted use (Regional Screening Levels for residential use) on a portion of the Property, SCDPR or its Beneficiaries may create a new parcel of that portion of the property that will be subject to the Declaration.
- E. The Declaration shall be noted on the master deed of any planned development for the Property and noted, or referenced thereafter, on each individual deed of property subdivided from the Property and subject to the Declaration.
- F. The Declaration shall reserve a right of entry and inspection for SCDPR or its Beneficiaries that may be transferred to another single individual or entity for purposes of compliance monitoring.
 - 1). SCDPR or its Beneficiaries shall ensure that the restrictions established by the Declaration remain on any subdivided property.
 - 2). SCDPR or its Beneficiaries shall create a procedure to provide a single point of contact responsible for documenting current land use and compliance with the

Declaration regardless of the Property's ownership status. The procedure shall be reviewed and approved by the Department before it is implemented.

- G. The Declaration shall provide that the Department has an irrevocable right of access to the Property after SCDPR acquires the Property, and such right of access shall remain until remediation is accomplished for unrestricted use and monitoring is no longer required. Such access shall extend to the Department's authorized representatives and all persons performing response actions on the Property under the Department's oversight.
- H. SCDPR or its Beneficiaries, or the individual or entity responsible for compliance monitoring, shall annually document the Property's land use and compliance with the Declaration to the Department. The report shall be submitted by May 31st, unless otherwise agree to by the Department, in a manner and form prescribed by the Department.
- I. The Department may amend the Declaration in response to changes in law, completion of remedial actions meeting the applicable standards in effect at the time, or if other circumstances of the Property change; however, said amendment shall not be applied retroactively unless expressly provided for in the legislation. An amendment may strengthen, relax, or remove restrictions based on the Regional Screening Tables in effect at that time; however, the Department shall not impose a more restrictive condition based solely on changes in the Regional Screening Tables. An amendment to the Declaration shall be duly executed and recorded using procedures similar to those detailed above.

NOTIFICATION

- 11. All notices required to be given by either party to the other shall be in writing. Each party shall have a continuing obligation to identify a contact person, whose name,

address, and telephone number must be updated to the other party, throughout the term of the Contract. Notices by electronic mail or facsimile shall be acceptable if acknowledged in writing by the recipient; with the delivery date being the date of acknowledgment or earlier date if stated in the acknowledgment. All other forms of notice shall be deemed sufficiently given if delivered at the address shown below, or at such place or to such agent as the parties may from time to time designate in writing, by: 1) regular U.S. Mail by which notice shall be deemed to occur seven (7) days after the postmark date; 2) Certified or Registered Mail by which notice shall be deemed to occur on the date received as shown on the receipt; 3) Commercial delivery service company by which notice shall be deemed to occur on the date received as shown on the receipt; or, 4) hand delivery to the other party.

A. All correspondence, notices, work plans, and reports shall be submitted to:

Director of Waste Management and
Director of Site Assessment, Remediation, and Revitalization
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201

B. All correspondence and notices to SCDPR shall be submitted to SCDPR's designated contact person who as of the effective date of this Contract shall be:

Tarek Ravenel
540 East Bay Street
Charleston, South Carolina 29403

FINANCIAL REIMBURSEMENT

12. SCDPR or its Beneficiaries shall reimburse the Department for its public participation

costs and for oversight costs of activities specific to this Contract as provided by S.C.Code Ann. §44-56-750 (D). The oversight costs shall include the direct and indirect costs incurred by the Department in implementing the Voluntary Cleanup Program as related to this Contract, and any future amendments thereto, and may include costs related to this Contract and incurred by the Department prior to execution of this Contract. Invoices for oversight costs will be sent to SCDPR on a quarterly basis. In recognition of SCDPR's non-profit status, the Department waives reimbursement of oversight costs, exclusive of the cost incurred for public participation.

The Department reserves the right to re-instate oversight billing upon thirty-day notice to SCDPR; however, said billing shall not include any costs incurred by the Department prior to receipt of the notice. All costs are payable within thirty (30) days of the Department's invoice submitted to:

Tarek Ravenel
540 East Bay Street
Charleston, South Carolina 29403

- A. Failure to submit timely payment for costs upon receipt of the Department's invoice is grounds for termination of the Contract pursuant to paragraph 16 herein.
- B. Payment for costs incurred by the Department pursuant to this Contract shall become immediately due upon termination of the Contract by any party pursuant to paragraph 16 herein.

ACCESS TO THE PROPERTY

- 13. SCDPR agrees the Department has an irrevocable right of access to the Property for environmental response matters after SCDPR acquires the Property. This right of access remains until such time as remediation is accomplished for unrestricted use and monitoring is no longer required, and shall extend to the Department's authorized

representatives and all other persons performing response actions on the Property under the Department's oversight.

CERTIFICATE OF COMPLETION AND COVENANT NOT TO SUE

14. A Certificate of Completion shall be issued to SCDPR or its Beneficiaries for the Property under this Contract as follows:

- A. SCDPR or its Beneficiaries shall request a Certificate of Completion pursuant to S.C. Code Ann. § 44-56-750(C)(1) after the response actions are completed and any required Declarations are recorded pursuant to this Contract. The request shall be in writing and shall report 1) the amount of soil that was removed or remediated on the Property; and 2) the cost of all environmental work conducted pursuant to this Contract.
- B. Pursuant to S.C. Code Ann. § 44-56-750(C)(1) the Department shall issue the Certificate of Completion with its covenant not to sue upon determining that SCDPR or its Beneficiaries has successfully and completely complied with the Contract and the voluntary cleanup approved under S.C. Code Ann. § 44-56-710 through 760 (as amended).
- C. The Department may issue a Provisional Certificate of Completion if the substantive response actions required under this Contract are complete and a required Declaration has been recorded but all actions under this Contract have not been completed due to Property-specific circumstances.
 - 1). A Provisional Certificate of Completion will include specific performance standards that SCDPR or its Beneficiaries shall continue to meet.
 - 2). The Provisional Certificate of Completion may include the Department's covenant not to sue for Existing Contamination; however, said covenant shall be automatically revoked if SCDPR or its Beneficiaries do not satisfactorily

complete the requirements of the Contract as stipulated in the Provisional Certificate of Completion.

ECONOMIC BENEFITS REPORTING

14. SCDPR or its Beneficiaries shall report information to the Department that demonstrates that the activities pursuant to this Contract have been beneficial to the State and community. The report shall be submitted within two (2) years after the execution date of this Contract, and annually thereafter until two (2) years after redevelopment of the Property is complete. SCDPR shall summarize the new operations at the Property, the number of jobs created, the amount of property taxes paid, and the total amount invested in the Property for property acquisition and capital improvements.

CONTRACT OBLIGATIONS AND PROTECTIONS INURE

15. The terms, conditions, obligations and protections of this Contract apply to and inure to the benefit of the Department, SCDPR, and its Beneficiaries as set forth below. The following stipulations apply to ensure the transition of all obligations and protections to successive Beneficiaries for any portion of the Property:
- A. SCDPR or its Beneficiaries shall provide a copy of this Contract and applicable Appendices to any subsequent Beneficiary. Transmittal of the Contract copy may be via any commonly accepted mechanism.
 - B. SCDPR and its Beneficiaries shall not allow residential occupancy on any portion of the Property prior to obtaining the Certificate of Completion or a Provisional Certificate of Completion specific to that portion of the Property allowing residential occupancy.
 - C. If the Certificate of Completion has not been issued, SCDPR or its Beneficiaries

shall request approval from the Department prior to transferring the obligations and protections of this Contract to a new person or entity. The Department shall not unreasonably withhold its approval upon receipt of a Non-Responsible Party Application for Voluntary Cleanup Contract documenting that the new person or entity:

- 1). Is not a Responsible Party for the Site;
- 2). Has sufficient resources to complete the activities of this Contract;
- 3). Will not use the Property for activities that are inconsistent with the terms and conditions of this Contract,
- 4). Will assume the protections and all obligations of this Contract and,
- 5). Will, in the Department's sole discretion, provide a measurable benefit to the State and the community as a result of this transfer.

D. If the Certificate of Completion has been issued and the portion of the Property is subject to a Declaration or other ongoing obligation pursuant to this Contract, SCDPR or its Beneficiaries shall provide written notification to the Department identifying the new individual or entity within thirty days after the effective date of the ownership change or other possessory transfer of the Property.

- 1). The notification shall include a signed statement from the new individual or entity that its use of the Property will remain consistent with the terms of the Contract and the Declaration, and that it will assume the ongoing obligations and protections of this Contract.
- 2). This requirement is waived for an individual or entity acquiring a portion of the Property for individual residential or commercial use provided the Declaration is noted on the master deed for the planned development, and the Department has approved the procedure for a single point of contact responsible for documenting current land use and compliance with the Covenant.

E. If a Certificate of Completion has been issued and the Property is not subject to a

Declaration or other continuing obligation pursuant to this Contract, no notification is required.

CONTRACT TERMINATION

16. SCDPR, its Beneficiaries, and the Department each reserve the right to unilaterally terminate this Contract by giving thirty days advance written notice to the other party. Termination shall be subject to the following:

- A. The Department may not terminate this Contract without cause and before termination, shall provide SCDPR or its Beneficiaries an opportunity to correct the cause(s) for termination, which may include, but is not limited to, the following:
- 1). Failure to complete the terms and conditions of this Contract;
 - 2). Change in SCDPR's or its Beneficiaries' business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract;
 - 3). Failure to submit timely payment for costs upon receipt of the Department's invoice;
 - 4). Failure of SCDPR or its Beneficiaries to implement appropriate response actions for additional Contamination or releases caused by SCDPR or its Beneficiaries;
 - 5). Knowingly providing the Department with false or incomplete information or knowing failure to disclose material information;
 - 6). Failure by SCDPR or its Beneficiaries to obtain the applicable permits from the Department for the response actions or other activities undertaken at the Property pursuant to this Contract; or,
 - 7). Failure by SCDPR or its Beneficiaries to make material progress toward the expansion, redevelopment, or reuse of the property as determined by the Department upon consideration of SCDPR's or its Beneficiaries' marketing efforts, regional economic conditions, and other pertinent information on the Property.

- B. Should SCDPR or its Beneficiaries elect to terminate, that party shall certify to the Department's satisfaction that any environmental or physical hazards caused or contributed by SCDPR or its Beneficiaries have been stabilized or mitigated such that the Property does not pose hazards to human health or the environment.
- C. Termination of this Contract by any party does not waive the Department's authority to require response action under any applicable state or federal law.
- D. Termination of this Contract by any party does not end the obligations of SCDPR or its Beneficiaries to pay costs incurred by the Department pursuant to this Contract. Payment for such costs shall become immediately due.
- E. Upon termination, the protections provided under this Contract shall be null and void as to any party who participated in actions giving rise to termination of the Contract. Revocation of protections shall also apply to that party's lenders, parents, subsidiaries, and successors, including lessees, heirs, devisees, and other parties taking an interest in the Property through that party who participated in actions giving rise to termination of the contract. The protections will continue for any party who has received protections through a Certificate of Completion for this Contract, and who did not participate in the actions giving rise to the termination.

ENTITLEMENT OF PROTECTIONS AND BENEFITS

- 17. SCDPR and its Beneficiaries are entitled to the protections and benefits in regard to Existing Contamination provided by South Carolina statutes as follows:
 - A. Effective on the date this Contract is first executed by the Department:
 - 1). Protection from contribution claims under CERCLA Section 113.42 U.S.C. § 9613 and § 44-56-200, et seq.

- 2). Protection from third-party claims as provided by S.C. Code Ann. § 44-56-750(H).
- 3). Eligibility to file annual application for Voluntary Cleanup Activity Tax Credits pursuant to S.C Code § 12-6-3550.

B. Effective on the date the Certificate of Completion is issued by the Department.

- 1). The Department's covenant not to sue SCDPR and its Beneficiaries for Existing Contamination but not for any Contamination, releases and consequences caused or contributed by SCDPR or its Beneficiaries.
- 2). Specific tax credits or additional benefits expressly contingent in South Carolina statutes on issuance of the Certificate of Completion.

C. These Protections and Benefits do not apply to any Contamination, releases, and consequences caused or contributed by SCDPR or its Beneficiaries. The Department retains all rights under State and Federal laws to compel SCDPR and its Beneficiaries to perform or pay for response activity for any Contamination, releases and consequences caused or contributed by SCDPR or its Beneficiaries.

RESERVATION OF RIGHTS BY THE DEPARTMENT

18. Nothing in this Contract is intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against any person, firm, or corporation other than SCDPR and its Beneficiaries. The Department reserves the right to undertake future response actions at the Site and to seek to compel parties, other than SCDPR and its Beneficiaries, to perform or pay for response actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of response actions that may be taken or be required by the Department in exercising its authority under State and Federal law.

RESERVATION OF RIGHTS BY SCDPR

19. SCDPR retains all rights to assert claims in law or equity against any person, company, or entity with respect to the Property, except as limited elsewhere by this Contract. SCDPR and its Beneficiaries specifically deny responsibility for response costs or damages resulting from Existing Contamination except for Contamination, releases, and consequences they cause or contribute to the Property. However, SCDPR and its Beneficiaries agree to undertake the requirements of this Contract.

BURDEN OF PROOF

20. SCDPR and its Beneficiaries shall have the continuing obligation to demonstrate that any newly discovered Contamination is not caused or contributed by SCDPR or its Beneficiaries. SCDPR and its Beneficiaries shall make this demonstration to the Department's satisfaction in accordance with State or Federal Law applicable to such newly discovered Contamination. For purposes of this clause, newly discovered Contamination means finding types of Contamination not previously identified at the Property or substantially higher concentrations of Existing Contamination.

LIMITATION OF CLAIMS BY SCDPR AND ITS BENEFICIARIES

21. In consideration of the protections from the Department under this Contract, SCDPR and its Beneficiaries agree not to assert any claims or causes of action against the Department or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Property pursuant to this Contract. This limitation shall not extend to any claims or causes of action resulting from the Department's intentional or negligent acts or omissions, or the Department's willful breach of this Contract.

[Remainder of page left blank]

VCC 13-6158-NRP

The South Carolina Department of Commerce, Division of Public Railways

File # 58082

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SIGNATORS

22. The signatories below hereby represent that they are authorized to and do enter into this Contract on behalf of their respective parties.

**THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL
CONTROL**

BY:

DATE:

Daphne G. Neel, Chief
Bureau of Land and Waste Management

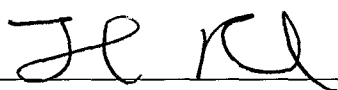
DATE:

Reviewed by Office of General Counsel

**THE SOUTH CAROLINA DEPARTMENT OF COMMERCE, DIVISION OF PUBLIC
RAILWAYS**

BY:

DATE:



2-6-13

Project Manager
Printed Name and Title

APPENDIX A

SCDPR

Application for Non-Responsible Party Voluntary Cleanup Contract

December 17, 2012

Chaun W. Pflug
Member

December 17, 2012

VIA FedEx

Mr. Jerry Stamps
Brownfields/Voluntary Cleanup Program
Division of Site Assessment, Remediation, and Revitalization
Bureau of Land & Waste Management
South Carolina Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

Re: Submittal of NRP VCC Application - SC Public Railways – Parcels 11, 12, 13A, 13B, 14A, 14B

Dear Mr. Stamps,

On behalf of South Carolina Department of Commerce, Division of Public Railways ("SCPR"), I am hereby submitting to your division an application for a Non Responsible Party Voluntary Cleanup Contract for 6 parcels (11, 12, 13A, 13B, 14A & 14B) located in North Charleston, South Carolina.

Enclosed are the following:

1. Non Responsible Party Application for Voluntary Cleanup Contract;
2. Parcel 11 & 12 Phase 1 excerpts regarding tanks;
3. Letter regarding jobs impact from Derek Dean – General Counsel of SCPR;
4. Plats for the Parcels 11, 12, 13A, 13B, 14A & 14B; and
5. Phase 1 Environmental Site Assessment Report and related updates.

Shortly after submitting this application I will forward to you the mailing addresses of former owners, operators, and other potentially responsible parties pursuant to Section 30 of the application.

If you have any questions or need further information, please contact me as set forth above.

Sincerely,



Chaun William Pflug

The Pflug Law Firm, LLC
P.O. Box 801 Mount Pleasant, SC 29465-0801
211 Scott Street Mount Pleasant, SC 29464
(O) 843.647.7774 (F) 866.446.6170
www.pfluglaw.com



cc: Jeffrey Davis (via email)
Derek Dean, Esq. (via email)

Red



Non Responsible Party Application for Voluntary Cleanup Contract

I. Applicant Information

1. Applicant is a: ☐ Single Entity ☐ Co-Entity (Each Co-Entity must complete items 1-8)
2. Applicant Type: ☐ Private Individual /Sole Proprietorship ☐ For-profit Business (Corp., Partnership, etc.) ☐ Tax-Exempt Trust/ Corporation/ Organization ☒ Government / Other Public Funded Entity
3. Applicant's Legal Name South Carolina Department of Commerce, Division of Public Railways

4. Contract Signatures for this Applicant

a. Authorized Signatory

Jeffrey D. Davis

V. President and COO

Jeff_Davis@scrailways.com

Name

540 East Bay Street

Title

843-727-2067

Email

Address

Charleston

Phone1

South Carolina

Phone2

29403

City

State

Zip

b. Other Signatories

☐ None

Name	Title	Phone	Email	Signature Required On Contract?
Chaun Pflug	Attorney	(843) 647 - 7774	cpflug@pfluglaw.com	<input type="checkbox"/>
		() -		<input type="checkbox"/>
		() -		<input type="checkbox"/>

5. Physical Location of Applicant's Headquarters

540 East Bay Street

Street address

Charleston

South Carolina

Suite Number

29403

City

State

Zip

6. Mailing address: ☒ Same as Authorized Signatory Go to question 7

Contact person (if different from Authorized Signatory)

Title

Street Number or PO Box

Phone1

Phone 2

City

State

Zip

Email

7. Company Structure Information ☒ Not-applicable (Local Government, Sole Proprietorship, Private Individual) - Go to Question #8

a. Company is Incorporated/ Organized/ Registered in _____ (state)

b. List all principals, officers, directors, controlling shareholders, or other owners with >5% ownership interest.

Attach additional pages if needed.

Name

Name

c. Is the applicant a subsidiary, parent or affiliate of any other business organization not otherwise identified on this form?

☐ Yes ☐ No

d. If yes, identify all affiliations: _____

8. Non-Responsible Party Certification

By signature below, it is affirmed that no person or entity identified anywhere above:

1. Is a current owner of the property
2. Is a Responsible Party for the site
3. Is a parent, successor, or subsidiary of any Responsible Party or owner of the property
4. Has had any involvement with the property in the past other than activities performed in anticipation of participation in the Voluntary Cleanup Program

Authorized Signatory

Co Signatories

II. Property Information

9. Location

a. Physical Address Please see section 13 below

b. County Charleston

c. ☐ Property is outside any municipal boundaries ☒ Property is inside the municipal limits of City of North Charleston
(town/city)

10. List any Companies or Site names by which the Property is known

All properties are known as the former Charleston Navy

Complex ("CNC")

11. Total Size of Property Covered by this Contract apprx. 110 Acres

12. How many parcels comprise the Property? 6 parcels

13. Current Zoning (general description)

All parcels are generally industrial. Parcel 11 is located along North Hobson Avenue on the west side of the former CNC and south of DPR Parcels 10B and 13A. Parcel 12 is located north of Viaduct Road, south of DPR Parcel 11 and west of North Hobson Avenue. Parcel 13A (Fire Department) is located west of North and South Hobson avenues on the west portion of the former CNC. Parcel 13B is vacant, bounded by Viaduct Road and Bainbridge Avenue on the former CNC, and located southeast of DPR Parcel 12 and comprises the north ramp of Bainbridge road and west bound lane of Viaduct Road. Parcel 14A is located west of South Hobson Avenue on the west portion of the former CNC and east of Viaduct Road. Parcel 14B is located along South Hobson Avenue and east of Viaduct Road and east of the former fuel tank farm, north of Bainbridge Avenue at the intersection of South Hobson Avenue and Viaduct Road.

14. a. Does the property have any above- or below-ground storage tanks? ☒ Yes ☐ No

b. If Yes, provide information on the number and capacity of the tanks, their contents, and whether they will be retained, or closed and/or removed.

Please see Exhibit A for excerpts of Parcel 11 Phase 1 and Parcel 12 Phase 1 showing ASTs, capacity, contents, and current status. All tanks will be removed and recycled.

15. Parcel Information Complete the information below for each Parcel (attach additional sheets if needed)

a. Tax Map Parcel# 400-00-00-078
b. Acreage 10.00 (Parcel 12)
c. Current Owner City of North Charleston
d. Owner Mailing Address POB 1900
North Charleston, SC
29419-9016
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☒ Yes ☐ No
h. Buildings on the parcel? ☒ None
(check all that apply) ☐ Demolished/Ruins
☐ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☒ Not operating since 1996
(approx date)
☐ In operation: nature of the
business _____

a. Tax Map Parcel# 400-00-00-075
b. Acreage 6.4 (13B) 1.5 (13A)
c. Current Owner City of North Charleston
d. Owner Mailing Address POB 1900
North Charleston, SC
29419-9016
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☒ Yes ☒ No
h. Buildings on the parcel? ☒ None
(check all that apply) ☐ Demolished/Ruins
☒ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☐ Not operating since 13B vct
(approx date)
☒ In operation: nature of the
business Fire Dept. (13A)

a. Tax Map Parcel# 400-00-00-087
b. Acreage 21.66 (Parcel 14A)
c. Current Owner CNCRDA
d. Owner Mailing Address 1096 Navy Way
North Charleston, SC
29405
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☐ Yes ☒ No
h. Buildings on the parcel? ☐ None
(check all that apply) ☒ Demolished/Ruins
☒ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☐ Not operating since _____
(approx date)
☒ In operation: nature of the
business FLETCS&SCSPA

a. Tax Map Parcel# 400-00-00-113
b. Acreage .51 (Parcel 14B)
c. Current Owner CNCRDA
d. Owner Mailing Address 1096 Navy Way
North Charleston, SC
29405
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☒ Yes ☐ No
h. Buildings on the parcel? ☐ None
(check all that apply) ☐ Demolished/Ruins
☒ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☐ Not operating since 1996
(approx date)
☐ In operation: nature of the
business _____

a. Tax Map Parcel# 400-00-00-050
b. Acreage 62.50 (Parcel 11)
c. Current Owner Clemson University
d. Owner Mailing Address 207 Sikes Hall
Clemson, SC 29634
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☐ Yes ☒ No
h. Buildings on the parcel? ☐ None
(check all that apply) ☐ Demolished/Ruins
☒ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☒ Not operating since 1996
(approx date)
☒ In operation: nature of the
business Maint. Shop

a. Tax Map Parcel# 400-00-00-180
b. Acreage 7.46 (Parcel 11)
c. Current Owner Clemson University
d. Owner Mailing Address 207 Sikes Hall
Clemson, SC 29634
e. Contact Person for Access Chaun Pflug
f. Access Person's Phone # 843-647-7774
g. Is Parcel Currently Vacant? ☐ Yes ☒ No
h. Buildings on the parcel? ☐ None
(check all that apply) ☐ Demolished/Ruins
☒ Intact, To be demolished
☐ Intact, To be re-used
i. Business/facility operations ☐ Never Operated on the parcel
☒ Not operating since 1996
(approx date)
☒ In operation: nature of the
business Maint. Shop

III. Property Redevelopment

16. Describe the intended re-use of the property:

(attach additional sheets if necessary)

1. Portion of railway intermodal facility;
2. Railroad right of way;
3. Railroad intermodal facility supporting structure, and
4. Possible mixed use economic development.

17. a. Will the future use include any chemical processes, petroleum or chemical storage and handling, on-site waste disposal, or generate any hazardous substances? ☒ Yes ☐ No
- b. If Yes, identify the substances and discuss steps that will be taken to prevent their release to the environment. Please see Exhibit B.

18. Will redevelopment lead to the creation of permanent jobs on the property? ☒ Yes Anticipated Number Please see Exhibit C.
☐ No

19. Projected Increase to the Tax Base as a result of this redevelopment: \$ Currently Unknown

20. a. Will there be intangible benefits from this redevelopment such as:

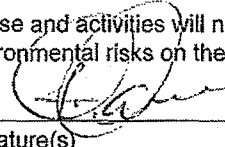
- ☐ LEED, Earth Craft, EnergyStar, or similar certification of Sustainable Development
- ☐ Creation / Preservation of Green Space on the Property
- ☒ Deconstruction/ Recycling of demolition or building debris
- ☒ Other The railroad intermodal facility/project will deconstruct existing structures. Tanks will be recycled scrap metal.

b. Please Describe:

21. Anticipated date of closing or acquiring title to the property winter / 2013 /

22. Redevelopment Certification

By signature below, the applicant(s) affirm that their proposed use and activities will not knowingly aggravate or contribute to existing contamination or pose significant human health or environmental risks on the property.


Signature(s)

IV. Project Management And Financial Viability (Co-Entities, refer to instruction sheet)

23. Environmental Consulting Firm

- ☐ None as of this application date
- S&ME, Inc.

Company	Address	City	State	Zip
620 Wando Park Blvd	Mount Pleasant	SC	29464	
Charles W. Black, Jr.	#17955	843-884-0005	cblack@smeinc.com	
Project Contact1	S.C PE/PG Reg. #	Phone1	Phone 2	email
Andrew C. Wertz	#22389	843-884-0005	awertz@smeinc.com	
Project Contact 2	S.C PE/PG Reg. #	Phone1	Phone 2	email

24. Legal Counsel (Optional)
The Pflug Law Firm, LLC

Firm		843-647-7774			
Chaun W. Pflug	Phone1	Mount Pleasant	SC	Phone 2	29465
Attorney	P.O. Box 801				cpflug@pfluglaw.com
Street Number or PO Box	City	State	Zip	email	

25. Applicant's Billing Address ☒ Same as Contact person in #6 above Go to question #26

Financial Contact	Title
Company	Phone
Address	
City	State Zip

26. Financial Viability

By signature(s) below, the applicant agrees to:

1. Pay the Department's costs upon receipt of invoices for implementing the Voluntary Cleanup Program for this Property, and
2. Provide financial statements, if requested, to document financial viability to conduct the response actions on the Property.

☒ Waiver Requested (Check Box if applicable)

The applicant is a Local Government or qualifies as a 501(c) Non-Profit Organization, and requests waiver of some Departmental costs of implementing this contract.

Signatures

V. Application Completion (The following are required along with this form. Check applicable boxes)

27. The Legal Description of the Property is attached as a: ☒ Plat Map ☐ Metes and Bounds Text ☐ Both

28. The Phase I Environmental Site Assessment Report is attached as a:

☒ New report completed in the past six months by S&ME

(Name of Environmental Firm)

☒ Older report updated in the past six months by S&ME

(Name of Environmental Firm)

29. Environmental sampling data and other reports: (check one)

☐ The Applicant is not aware of any environmental testing on the property

Charleston Naval Complex

☒ The Applicant believes the Department already has all environmental data in its files on:

(Site Name)

☐ The Following reports are attached:

Report Date

Report Name

Environmental Firm

30. Mailing addresses of Former Owners, Operators and other Potentially Responsible Parties:(check one)

☐ Enclosed with this Application as an Attachment

☒ Will be submitted along with (or before) the signed contract

31. The applicants attest by signature below that this application is accurate to their best knowledge. Furthermore, the applicants request DHEC evaluate the Property for inclusion in the Brownfields Voluntary Cleanup Program and draft a Non-Responsible Party Contract for the Property.

Signature(s)

This Section for Department Use Only

Assigned File Name		
Eligible for NRP Contract	Y N	
Assigned File Number		
Assigned Contract Number		

Exhibit A
Response to Section 14B - Parcel 11 & 12 Phase 1 Excerpts Regarding Tanks

pm

Site 25 (Building 1346) is a site with approximately 12 USTs, designated as 1346-A through 1346-K, which had been operated at the site at various times at Building 1346. Based on historical documents reviewed, USTs A-H were removed prior to 1991. Multiple monitoring wells and soil samples have been collected at the site under SCDHEC requests to address USTs A-H. Based on the most up to date information provided by the US Navy, the site received a NFA from SCDEHC in a letter dated November 12, 2001. Building 1346 is currently vacant, but was used by the SCE&G as a maintenance shop in the past most recently. The SCDHEC UST Registry website indicates a release occurred on the site in July 2006 from tanks I, J, and K. The website reports, the release was confirmed, cleanup was completed, and an NFA was given in July 2006.

B. UNDERGROUND STORAGE TANKS

The following table details USTs historically located on or removed from the Subject Property.

UST Locations and Conditions				
Facility	Capacity (gallons)	Contents	Condition	Status
Parcel 11				
1346	1-500	Waste oil	Removed (1996)	NFA (3/00)
1346	3-10,000	Gasoline/Diesel	Removed (2006)	NFA (6/06)
1346	3-10,000	Gasoline	Removed (1991)	NFA (11/01)
1346	4-4,000	Gasoline	Removed (1978)	NFA (11/01)
1346	1-10,000	Gasoline	Removed (1978)	NFA (11/01)
148	21,924	Fuel oil	Removed (1996)	NFA (10/02)
224	5,000	Heating oil	Removed (1998)	NFA
42	Unknown	Fuel oil	Removed (1997)	NFA (2/01)

C. ABOVEGROUND STORAGE TANKS

The following table details ASTs located on the Subject Property.

AST Locations and Conditions			
Facility	Capacity (gallons)	Contents	Status
Parcel 11			
1346	1-250	Used Oil	Not in use
	6-30	Used Oil	Not in use
3900-F	1-2,350,000	Waste oil, diesel fuel	Not in service
3901-A	1-103,194	Waste oil, diesel fuel	Not in service
39-A	1- 741,000	Oil/Ballast sludge	Not in service
39-D	1-741,000	Oil/Ballast sludge	Not in service
3915	1-1,008,000	Fuel oil	Not in service
39-L	1-6,500	Diesel	Not in service
249	1-500	Unknown	Not in service

me

contamination was identified. The site was issued an NFA from SCDHEC on November 16, 1998.

- FDS Area 20 is located beneath Viaduct Road near the intersection of North Hobson Avenue. Soil contamination from a former UST was documented during an investigation and additional assessment was recommended. Contaminated soil was removed from the site and additional sampling of groundwater and soil documented that the chemicals of concern ("COCs") to include volatile organic compounds ("VOCs") and semi-volatile organic compounds ("SVOCs") were below the detection limit and no further action was recommended. The site is listed as "NFA Pending." The US Navy stated, as part of the interviews, the site has received an NFA.
- FDS Area 21 is located in the center of the area encompassed by ASTs 3900 E, 3900 F, 3916, and 3917. An investigation was performed which identified COCs in the soil to include naphthalene and SVOCs and further assessment was recommended. Additional groundwater sampling was performed and concluded that the groundwater as not being impacted by the soil contamination and a no further action was recommended. SCDHEC concurred and issued an NFA for the site.

B. UNDERGROUND STORAGE TANKS

Based on a review of historical records, no USTs were associated with the Subject Property.

C. ABOVEGROUND STORAGE TANKS

The following table details ASTs located on the Subject Property.

AST Locations and Conditions			
Facility	Capacity (gallons)	Contents	Status
Parcel 12			
3900-E	1-2,350,000	Waste oil, diesel fuel	Not in service
3916	1-4,200,000	Diesel Oil tank	Not in service
3917	1-4,200,000	Diesel Oil tank	Not in service

D. FUEL DISTRIBUTION SYSTEM

Based on review of historic reports, documentation provided by the US Navy and CH2M-Hill and the site reconnaissance, FDS Areas 1-21 are all closed and received an NFA from SCDHEC, with Areas 8, 11, and 20 located on the Subject Property.

Exhibit B
Response to Section 17(b)

Where applicable the railway intermodal facility ("RIF") will have a Spill Prevention Control and Countermeasure ("SPCC") plan to provide management and on-going training for petroleum based or other oils stored on site. Containments will be inspected and secondary storage quantities will be calculated and constructed to insure that adequate storage and capture volume are present in case of a failure. The RIF will be required to obtain a NPDES permit and prepare and implement a Stormwater Pollution Prevention Plan ("SWPPP"). The permit and plan will include measures for minimizing impacts to stormwater and receiving waters, and will include requirements for inspections, periodic monitoring, and reporting.

RIF operations may include the shipping and receiving of hazardous materials, which will pass through RIF. Any management of hazardous materials will be in accordance with applicable OSHA, EPA, and DOT regulations.

TW

Exhibit C
Response to Section 18

TWR

SIMONS & DEAN

ATTORNEYS AT LAW

147 WAPPOO CREEK DRIVE, SUITE 604 | CHARLESTON, SC 29412 | 843.762.9132 | FAX: 843.406.9913

Keating L. Simons, III klsimons@charlestonattorneys.net
Derek P. Dean dfilean@charlestonattorneys.net

December 17, 2012

Mr. Jerry Stamps
Brownfields Voluntary Cleanup Program
Bureau of Land and Waste Management, SCDHEC
2600 Bull Street
Columbia SC 29201

RE: VCC NRP Application – South Carolina Public Railways – Parcels 11, 12, 13A,
13B, 14A, and 14B

Dear Mr. Stamps:

I serve as general counsel to the South Carolina Division of Public Railways (“SCPR”). In that regard, and in relation to SCPR’s proposed Intermodal Container Transfer Facility (“ICTF”), and more particularly as relates to SCPR’s Voluntary Cleanup Contract - Non Responsible Party Application for Parcels 11, 12, 13A, 13B, 14A and 14B which are part and parcel thereof, I have been asked to provide you with a synopsis of the types of jobs that would be created as a result of the new ICTF.

The information set forth below was derived after consultation with SCPR’s engineering firm CDM Smith. CDM Smith as you may well know is a full service transportation and infrastructure consulting firm located in Columbia, South Carolina. SCPR has enjoyed a long and mutually collaborative relationship with CDM Smith.

This information was developed without the benefit of performing an economic study. Economic impact analysis typically measures the jobs, income and value-added associated with a facility’s construction (short-term) and operation (long-term), as well as user-industries (long-term) that transport goods through the facility. Facility construction and operation impact assessment is generally straightforward. However, much larger impacts could be associated with user-industries, which are more complicated to estimate.

Impact measures comprised of three types were used to develop the below list.

- Direct impacts – Associated with constructing the ICTF, its operations and industries that use the ICTF.



- Indirect impacts – The businesses that provide support materials and services to the ICTF construction, operation or user industries
- Induced impacts – The impacts associated with the local responding of *direct* and *indirect* earned income.

Jobs will be created during the construction and operation phase of the ICTF. While the construction jobs are short-term in nature relatively speaking, the ICTF operation jobs will endure through the foreseeable future. For simplicity we have combined the Direct and Indirect job Impacts as shown below:

1. Direct and Indirect Impacts:

Construction of the facility:

- a) Design Engineer; Engineers, Designers and Technicians/Draftsmen, Surveyors;
- b) Railroad, Road, Building Utility and Building Contractors and Subcontractors;
- c) Management Team; Project Manager, Administrative Personnel, Superintendents, Foremen;
- d) Material Suppliers, steel, concrete, asphalt, pipe, fuel, aggregate, ballast, cross ties;
- e) Equipment Suppliers; cranes, train engines, bull dozers, loaders, rollers, compactors, other vehicles, communications, electrical power components;
- f) Equipment Operators and Mechanics; track-hoes, dozers, cranes, lifts, rollers, pavers, water truck, track spiker, track tamper, track regulator;
- g) Trade specialists; truck drivers, plumbers, carpenters, electricians, welders, HVAC, painters, technicians;
- h) Materials Testing; all (asphalt, concrete, steel, aggregate, etc.);
- i) Laborers; all disciplines (rail construction, roadway and bridge construction, utility construction, building construction);
- j) Construction Oversight and Inspection; Resident Engineer, Inspectors specialized in concrete, asphalt, bridges, rail construction, utility construction, building construction, highway construction, surveyors.

Terminal Operations and Maintenance:

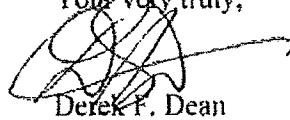
- a) Terminal management - terminal manager, supervisor(s), clerical help;
- b) Equipment operators - cranes, yard tractors, hostlers;
- c) Train and engine crews;
- d) Transport drivers;
- e) Maintenance men and repairman - terminal equipment and infrastructure, containers, railroad motive power and rolling stock;
- f) Gate attendants.

The induced job impacts span a wide range of consumer services since the impacts reflect the "respending" of wages and salaries earned by direct and indirect related impacts. These typically generate a much larger job impact than Direct and Indirect but require a more detailed study to estimate. Induced Impacts will include but not be limited to local consumer services ranging from grocers to food service to legal services to furniture retailers and other types of services.

As originally conceived ICTF design and planning began in February 2011 and construction is anticipated to conclude during calendar year 2017 barring any unanticipated setbacks.

With best regards, I am

Your very truly,

A handwritten signature in black ink, appearing to read "Derek F. Dean", with a long horizontal flourish extending to the right.

Derek F. Dean

DFD/

cc: Chaun Pflug, Esq. (via facsimile only)

Handwritten initials in the bottom right corner, possibly "TWT".

Exhibit D
Section 17 - Plats

TH

EXHIBIT A

**REAL PROPERTY SUBJECT TO THIS ACTION
AND TO BE ACQUIRED IN FEE:**

TRACT 11:

All that piece, parcel or tract of land, together with the buildings and improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **69.963 Acres**, more or less, and shown as "**NEW LOT B**" on a plat entitled "**PLAT SHOWING THE ABANDONMENTS OF PROPERTY LINES AND THE COMBINING OF TMS PARCELS 400-00-00-050; 400-00-00-076; 400-00-00-077; 400-00-00-078; 400-00-00-100; 400-00-00-115 TO CREATE NEW LOT A 14.981 ACRES: LOT B 69.963 ACRES: LOT C 10.00 ACRES LOCATED FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SC**", prepared by Forsberg Engineering and Surveying, Inc., dated July 31, 2007, and revised August 28, 2007, and recorded in the RMC Office for Charleston County in **Plat Book EK at pages 968 and 969.**

SAID parcel having such metes, bounds, buttings, dimensions and boundaries as reference to said plat more fully and at large appear.

TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads controlled by the United States of America that access the said parcels, as said roads may be relocated from time to time.

This being the same property heretofore conveyed to Clemson University by Quit-Claim Deed of the City of North Charleston, dated February 28, 2007 and recorded September 21, 2007 in **Deed Book F-639 at page 773**; and by Quit-Claim Deed of the City of North Charleston, dated February 8, 2010 and recorded February 9, 2010 in **Deed Book 106 at page 292.**

FOR INFORMATIONAL PURPOSES ONLY: TMS Nos 400-00-00-050 and 400-00-00-180



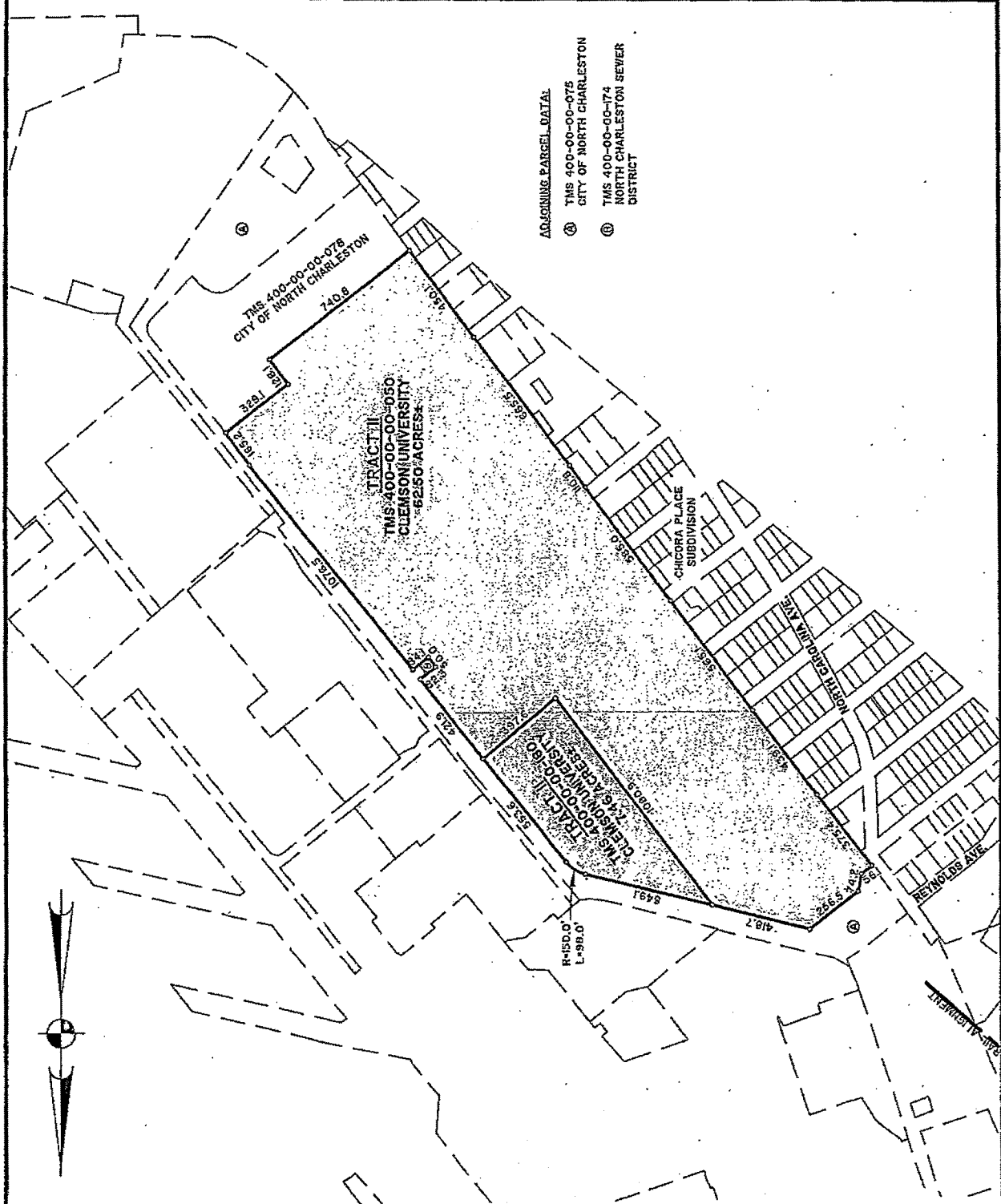


EXHIBIT A

REAL PROPERTY SUBJECT TO THIS ACTION
AND TO BE ACQUIRED IN FEE:

TRACT 12:

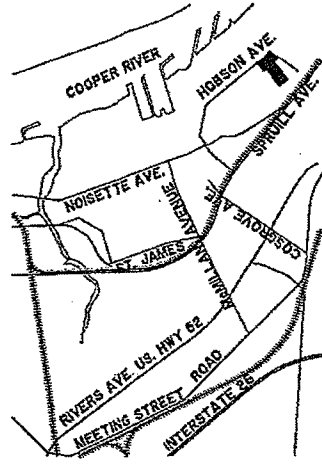
All that piece, parcel or tract of land, together with the buildings and improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **10.00 ACRES**, more or less, and shown as "**NEW LOT C**" on a plat entitled "**PLAT SHOWING THE ABANDONMENTS OF PROPERTY LINES AND THE COMBINING OF TMS PARCELS 400-00-00-050; 400-00-00-076; 400-00-00-077; 400-00-00-078; 400-00-00-100; 400-00-00-115 TO CREATE NEW LOT A 14.981 ACRES; LOT B 69.963 ACRES; LOT C 10.00 ACRES LOCATED FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SC**", prepared by Forsberg Engineering and Surveying, Inc., dated July 31, 2007, and revised August 28, 2007, and recorded in the RMC Office for Charleston County, SC, in **Plat Book EK at pages 968 and 969**. SAID parcel having such metes, bounds, buttings, dimensions and boundaries as reference to said plat more fully and at large appear.

TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads controlled by the United States of America that access the said parcels, as said roads may be relocated from time to time.

This being a portion of the property heretofore conveyed to City of North Charleston by Quit-Claim Deed of the Charleston Naval Complex Redevelopment Authority, dated December 21, 2004 and recorded January 4, 2005 in **Deed Book X-519 at page 843**.

FOR INFORMATIONAL PURPOSES ONLY: **TMS Nos 400-00-00-078**

TWK



VICINITY MAP not to scale

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EXHIBIT

TRACT 12
S.C. PUBLIC RAILWAYS
INTERMODAL CTF

CITY OF NORTH CHARLESTON
CHARLESTON COUNTY, SOUTH CAROLINA
prepared for
S.C. PUBLIC RAILWAYS

THOMAS & HUTTON
Engineering | Surveying | Planning | GIS | Consulting
682 Johnnie Dodds Blvd., Suite 100
PO Box 1522
Mt. Pleasant, SC 29465-1522
p 843.849.0200 f 843.849.0203

www.thomasandhutton.com



plot
11/22/10
drawn
fed/pbg
reviewed
kcs

job 22468
SHEET 1 OF 1

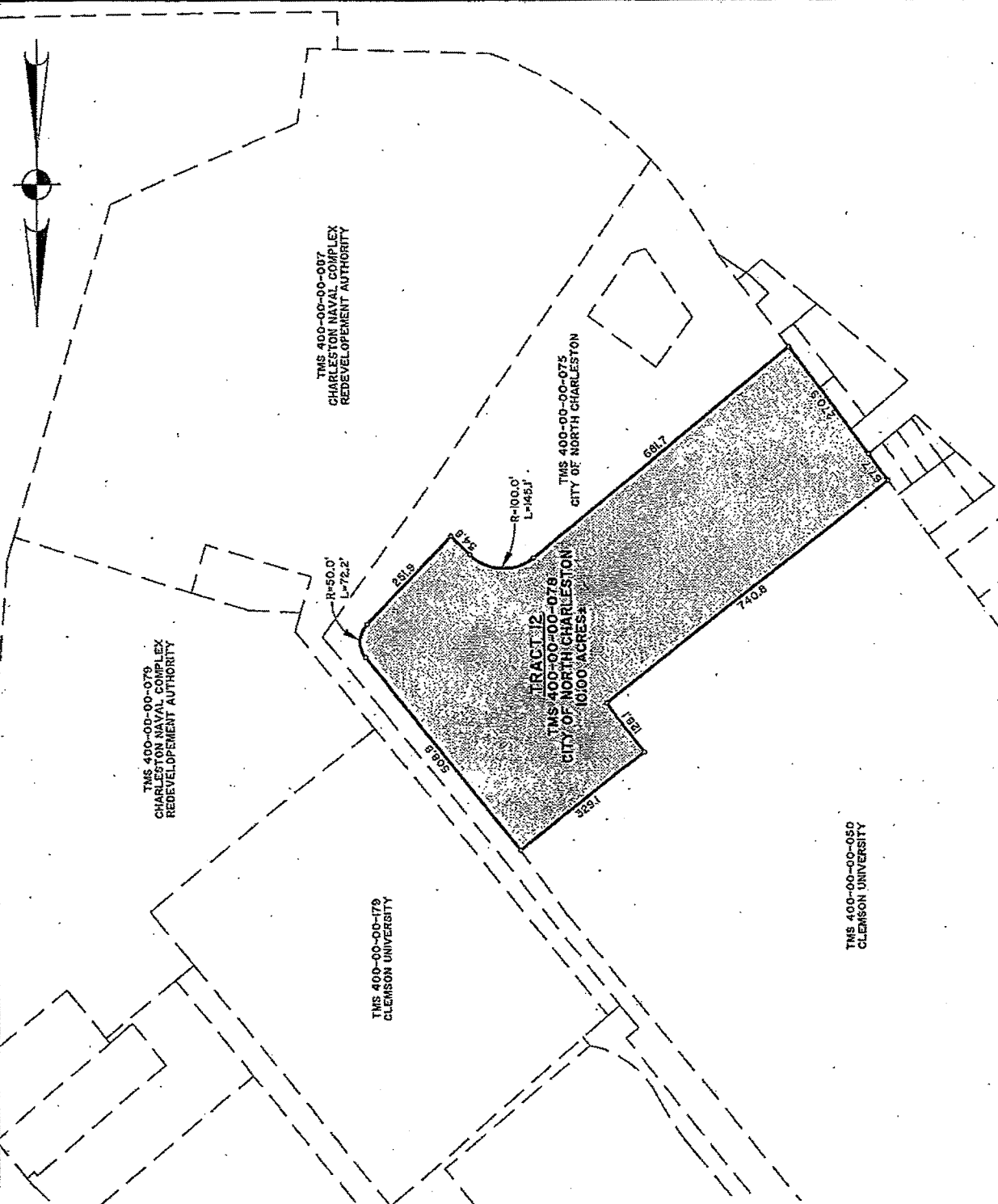


EXHIBIT A

REAL PROPERTY SUBJECT TO THIS ACTION:

TRACT 13:

All that piece, parcel or tract of land, together with the buildings and improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **14.981 ACRES**, more or less, and shown as "**NEW LOT A**" on a plat entitled "**PLAT SHOWING THE ABANDONMENTS OF PROPERTY LINES AND THE COMBINING OF TMS PARCELS 400-00-00-050; 400-00-00-076; 400-00-00-077; 400-00-00-078; 400-00-00-100; 400-00-00-115 TO CREATE NEW LOT A 14.981 ACRES; LOT B 69.963 ACRES; LOT C 10.00 ACRES LOCATED FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SC**", prepared by Forsberg Engineering and Surveying, Inc., dated July 31, 2007, and revised August 28, 2007, and recorded in the RMC Office for Charleston County, SC, in **Plat Book EK at pages 968 and 969**.

SAID parcel having such metes, bounds, buttings, dimensions and boundaries as reference to said plat more fully and at large appear.

TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads controlled by the United States of America that access the said parcels, as said roads may be relocated from time to time.

This being a portion of the property heretofore conveyed to the City of North Charleston by Quit-Claim Deeds of the Charleston Naval Complex Redevelopment Authority,

dated April 1, 2003 and recorded April 2, 2003 in **Deed Book T-442 at page 677**.

dated December 21, 2004 and recorded December 21, 2004 in **Deed Book X-519 at page 843**.

dated October 19, 2005 and recorded October 19, 2005 in **Deed Book O-558 at page 379**.

FOR INFORMATIONAL PURPOSES ONLY: **TMS No. 400-00-00-075**

LESS AND EXCEPTING:

All that piece, parcel or tract of land, together with the improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **6.4 ACRES**, more or less, and being that **PORTION OF "NEW LOT A"** on a plat entitled "**PLAT SHOWING THE ABANDONMENTS OF PROPERTY LINES AND THE COMBINING OF TMS PARCELS 400-00-00-050; 400-00-00-076; 400-00-00-077; 400-00-00-078; 400-00-00-100; 400-00-00-115 TO CREATE NEW LOT A 14.981 ACRES; LOT B 69.963 ACRES; LOT C 10.00 ACRES LOCATED FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SC**", prepared by Forsberg Engineering and Surveying, Inc., dated July 31, 2007, and revised August 28, 2007, and recorded in the RMC Office for Charleston County, SC, in **Plat Book EK at pages 968 and 969**, located within the boundaries of **Hobson Avenue**, and more particularly shown as **TRACT 13C**, containing **6.4 ACRES** on "**Exhibit Tract 13 SC Public Railways Intermodal CTF**," prepared by Thomas & Hutton, dated December 7, 2010, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference.

TH

LESS AND EXCEPTING:

All that piece, parcel or tract of land, together with the improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **0.64 ACRES**, more or less, and being shown as "NEW 'PARCEL 10005' PUMP STATION No. 204" on a plat prepared by Davis & Floyd, Inc., entitled "SUBDIVISION PLAT SHOWING THE CREATION OF PARCEL NO. 10005 A PORTION OF TMS #400-00-00-075, PROPERTY OF CITY OF NORTH CHARLESTON ABOUT TO BE ACQUIRED BY NORTH CHARLESTON SEWER DISTRICT LOCATED CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA," dated August 5, 2009, a copy of which is recorded in the RMG Office for Charleston County, SC, in **Plat Book S-09 at page 218** and which is made a part hereof and incorporated herein by reference.

This being the same property heretofore conveyed to North Charleston Sewer District by deed of City of North Charleston, dated September 29, 2009, and recorded October 9, 2009 in **Deed Book 85 at page 944**.

FOR INFORMATIONAL PURPOSES ONLY: TMS No. 400-00-00-173.

REAL PROPERTY TO BE ACQUIRED IN FEE:

TRACT 13A ACQUISITION:

All those certain pieces, parcels or tracts of land, together with any improvements thereon, situate, lying and being in the City of North Charleston, the County of Charleston, State of South Carolina and being shown as the shaded area more particularly designated as follows:

Tract 13A TMS 400-00-00-075 City of North Charleston 1.5 acres +/-

on the attached **Exhibit Tract 13** prepared for the S.C. Public Railways Intermodal CTF by Thomas & Hutton, dated December 7, 2010, incorporated herein by reference, and having the location, buttings, boundings, courses and distances as by reference to said Exhibit will more fully appear.

Two

EXHIBIT A

REAL PROPERTY SUBJECT TO THIS ACTION
AND TO BE ACQUIRED IN FEE:

TRACT 14:

All that certain piece, parcel or tract of land, together with any improvements thereon, situate, lying and being in the City of North Charleston, County of Charleston, State of South Carolina, containing **22.17 ACRES** more or less, being comprised of the following two tracts of land:

Tract 14-A:

All that certain piece, parcel or tract of land, together with any improvements thereon, situate, lying and being in the City of North Charleston, County of Charleston, State of South Carolina, containing **21.702 ACRES** more or less, being part of the former Charleston Naval Base and shown as "NEW PARCEL 8A" and delineated on a plat thereof by Forsberg Engineering and Surveying, Inc. dated May 4, 2004 (having a latest revision date of October 13, 2004), entitled "SUBDIVISION PLAT PARCELS 8 & 9 EDC III INTO PARCELS 8A, 8B & RESIDUAL OF PARCEL 9 FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON CHARLESTON COUNTY, SOUTH CAROLINA", recorded December 21, 2004 in Plat Book EH at page 575 in the RMC Office for Charleston County, SC, said parcel having such metes, bounds, butting, dimensions and boundaries as reference to said plat will more fully appear.

TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads now or formerly controlled by the United States of America that access the said parcel, as said roads may be relocated from time to time.


This being a portion of the property conveyed to the Charleston Naval Complex Redevelopment Authority by deed of the United States of America, dated July 10, 2003 and recorded August 19, 2004 in Deed Book M-506 at page 268.

FOR INFORMATIONAL PURPOSES ONLY: TMS No. 400-00-00-087

TOGETHER WITH:

Tract 14-B:

All that certain piece, parcel or tract of land, together with any improvements thereon, known as Parcel 8 EDC IV, situate, lying and being in the City of North Charleston, County of Charleston, State of South Carolina, containing **0.51 ACRES** more or less, being part of the former Charleston Naval Base and being more particularly shown and delineated as a parcel designated as "TMS 400-00-00-004 The United States of America" on a plat by Forsberg Engineering and Surveying, Inc., dated May 4, 2004 (having a latest revision date of October 13, 2004), entitled "SUBDIVISION PLAT PARCELS 8 & 9 EDC III INTO PARCELS 8A, 8B & RESIDUAL OF PARCEL 9 FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON CHARLESTON COUNTY, SOUTH CAROLINA", recorded December 21, 2004 in Plat Book EH at page 575 in the RMC Office for Charleston County, SC, said parcel having such metes, bounds, butting, dimensions and boundaries as reference to said plat will more fully appear.



TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads now or formerly controlled by the United States of America that access the said parcel, as said roads may be relocated from time to time.

This being a portion of the property conveyed to the Charleston Naval Complex Redevelopment Authority by deed of the United States of America, dated May 12, 2005 and recorded July 12, 2005 in Deed Book O-544 at page 666.

FOR INFORMATIONAL PURPOSES ONLY: TMS No. 400-00-00-113

TR



TIME 400-00-00-102
CHARLESTON NAVAL COMPLEX
REDEVELOPMENT AUTHORITY

TMS 400-00-00-079
CHARLESTON NAVAL COMPLEX
REDEVELOPMENT AUTHORITY

TRACT 14B
TMS-400-00-00-113
0.51 ACRE±

TRACT:14A
TMS 400-00-00-087
21.85 ACRES.

TRACT 14
CHARLESTON NAVAL COMPLEX
REDEVELOPMENT AUTHORITY
2217 ACRES TOTAL

TMS 468-04-00-009
CAROLINE S. ALSTON EST. OF ETAL

1152
JMS 408-00-00-075
CITY OF NORTH CHARLESTON

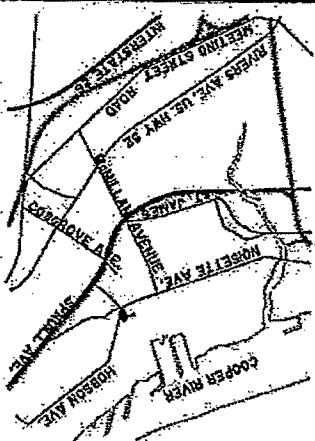
CSXT R/W

ADJOINING PARCEL DATA.

(2) TMS 1400-00-00-102
CHARLESTON NAVAL COMPLEX
REDEVELOPMENT AUTHORITY.

VICINITY MAP

not to scope



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EXHIBIT

TRACT 14

**S.C. PUBLIC RAILWAYS
INTERMODAL CTF**

CITY OF NORTH CHARLESTON
CHARLESTON COUNTY, SOUTH CAROLINA
prepared for
S.C. PUBLIC RAILWAYS



Engineering - Surveying, Planning & Consulting

682 Johnnie Dodds Blvd., Suite 100

PO Box 15222

Mr. Pleasant, SC. 29465-1522

P: 843.849.0200 F: 843.849.0203

www.thomsondata.com



1 INCH = 200 FEET

plot	d/own	reviewed
02/15/11	leg/ppg	ket
Job: 22468		

SHEET 1 OF 1

put

Exhibit E
Section 28 - Phase 1 Environmental Site Assessment Report & Updates

Handwritten signature



November 6, 2012

South Carolina Department of Commerce
Division of Public Railways
540 East Bay Street
Charleston, South Carolina 29403

Attention: Mr. Jeff McWhorter, CEO and President

Reference: Phase I Environmental Site Assessment (ESA) Update
DPR Parcel 14B
TMS #400-00-00-113
Former Charleston Naval Complex
North Charleston, South Carolina

Dear Mr. McWhorter:

S&ME, Inc. has performed an update of the Phase I Environmental Site Assessment ("ESA") for the above referenced property in general accordance with ASTM E 1527-05 and S&ME Proposal No. 34-11-151, dated April 26, 2011. This update is based upon our Phase I ESA report dated September 6, 2012, for the referenced site and was reviewed as part of the preparation of this report.

The Subject Property is an approximate 0.51-acre property identified by the Charleston County Tax Assessor as TMS #400-00-00-113. This property is further known as the South Carolina Department of Commerce, Division of Public Railways Parcel 14B ("DRP Parcel 14B"). DPR Parcel 14B is hereafter known as the "Subject Property."

Our update of the original Phase I ESA included a review of the public records available since our original report, an updated environmental lien search provided by the User, site reconnaissance, and interviews with the current property owners and the local fire department serving the site. The results of these activities are summarized in the following paragraphs.

PUBLIC RECORDS REVIEW

S&ME contracted Environmental Data Resources, Inc. ("EDR") to conduct an environmental search and prepare a Site Assessment Report compiling federal and state environmental database information from the regulatory records of the United States Environmental Protection Agency ("USEPA") and the State of South Carolina. The purpose of the EDR Report (dated October 20, 2012) was to identify environmental sites and activities within a radius of potential concern from the Subject Property, as outlined by ASTM E 1527-05. The following table lists databases included in the search. The EDR report, including descriptions of the databases, is attached to this report.

Our review of the database search results identified the following sites in the May 10, 2012 database report, but are not included in the database search referenced above:

- Former Dryclean USA Coastal Inc. (May 10, 2011 - EDR Map number 36) – This site was listed on the SHWS and DRYCLEANERS databases. This site is ranked #285 (low priority);
- Baker I-26 site (May 10, 2012 – EDR Map number 37) - This site is listed on the SHWS, ALLSITES, and BROWNFIELDS databases. This site is listed as having a current Voluntary Cleanup Contract ("VCC") number 05-5635-NRP;
- Mobile Chemical Co. (May 10, 2012 – EDR Map number 38) - This site is listed under numerous databases and has numerous violations described in the referenced report above; and
- SWIFT-AGRI-CHEM Corp (May 10, 2012 – EDR Map number 39) - This site is listed under numerous databases and has numerous violations described in the referenced report above.

Additionally, the database search above identified two (2) sites not previously listed in the May 10, 2012 database search, but based on the distance from the site, current regulatory status, and intervening topography, are considered findings:

- Charleston Steel and Metal (October 30, 2012 – EDR Map number 16) - This site is listed under the SWRCY database with no violations; and
- Carner Industrial Park (October 30, 2012 – EDR Map number 20) - This site is listed under the SHWS and BROWNSFIELDS databases. There is an active VCC number 12-6091-NRP for this site.

INTERVIEWS

Interview with Past and Present Owners

S&ME attempted to interview Mr. Robert Ryan, representative of the Charleston Naval

Complex Redevelopment Authority ("CNCRDA"), the current title holder to Parcel 14B. As of the date of this report, no response was provided by Mr. Ryan.

S&ME attempted to interview Mr. Art Sanford and Mr. David Criswell, representatives for the former owner of the Subject Property, the United States Navy ("US Navy"). As of the date of this report, Mr. Criswell and Mr. Sanford have not responded to our inquiries. Based on the available information provided by Mr. Criswell and reviewed by S&ME during the Phase I ESA dated September 6, 2012, this is considered an insignificant data gap.

The lack of interview responses from the current and former owners of the Subject Property is considered an insignificant data gap.

Interview with Key Site Manager

Currently, the Subject Property is leased from the current owner by the South Carolina State Ports Authority ("SCSPA"). S&ME interviewed SCSPA representative Mr. Ben Morgan regarding use of the Subject Property by SCSPA during the last six months. The interview responses provided by SCSPA indicated SCSPA were unaware of any changes to the Subject Property or violations due to their use of the Subject Property and have not been notified by the current or former owner of newly discovered environmental issues. Mr. Morgan also stated he was unaware of any additional changes to the newly identified AOC 736.

Interview with Occupants

See Interview with Key Site Manager.

Interview with Local Government Officials

We contacted the Fire Chief Kyle Minick with the North Charleston District Fire Department (843-740-2619), who stated he was unaware of any fires, clandestine laboratories, or hazardous material emergency responses to this area.

Interviews with Others

S&ME attempted to contact Ms. Beth Woodall (City of North Charleston-Legal Department) regarding the known presence of clandestine drug labs in the area. As of the date of this report, no response has been provided to S&ME. This is considered an insignificant data gap.

SITE RECONNAISSANCE

Mr. Jeremy Williams (S&ME) performed a site reconnaissance of the Subject Property on November 5, 2012. There are no significant changes to the Subject Property compared to those observations made in the September 6, 2012 Phase I ESA.

ENVIRONMENTAL LIEN SEARCH



The User provided S&ME with an environmental lien search completed on November 5, 2012. There are no environmental liens on the Subject Property.

CONCLUSIONS



S&ME, Inc. has performed an update of the Phase I ESA for Parcel 14B dated November 6, 2012 in general accordance with ASTM Standard Practice E 1527-05. Based on the database report, interviews, site reconnaissance, and environmental lien search, S&ME noted no significant changes to the Phase I ESA Report dated September 6, 2012 for the Subject Property.

DECLARATION

We declare that, to the best of our professional knowledge and belief, that we meet the definition of *Environmental professional* as defined in paragraph 312.10 of 40 CFR 312, of this part [40 CFR 321. 21 (d).


Chuck Black, P.E.
Environmental Professional
Jeremy Williams, CIE
Environmental Professional

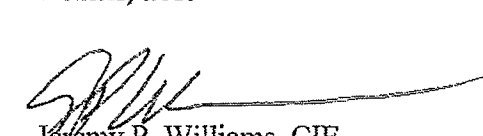

We have the specific qualifications based on education, training, and experience to assess a *property* of the nature, history, and setting of the subject *property*. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.”


Chuck Black, P.E.
Environmental Professional
Jeremy Williams, CIE
Environmental Professional

S&ME appreciates the opportunity to be of service to you. If you have any questions regarding the outlined scope of work, or if we may be of any further assistance, please call.

Sincerely,

S&ME, Inc.


Jeremy P. Williams, CIE
Industrial Hygienist
Chuck Black, P.E.
Senior Reviewer



November 7, 2012

South Carolina Department of Commerce
Division of Public Railways
540 East Bay Street
Charleston, South Carolina 29403

Attention: Mr. Jeff McWhorter, CEO and President

Reference: Phase I Environmental Site Assessment (ESA) Update
DPR Parcel 14A
TMS #s 400-00-00-087 and 102
Former Charleston Naval Complex
North Charleston, South Carolina

Dear Mr. McWhorter:

S&ME, Inc. has performed an update of the Phase I Environmental Site Assessment ("ESA") for the above referenced property in general accordance with ASTM E 1527-05 and S&ME Proposal No. 34-11-151, dated April 26, 2011. This update is based upon our Phase I ESA report dated September 6, 2012, for the referenced site and was reviewed as part of the preparation of this report.

The Subject Property is an approximate 21.66-acre property identified by the Charleston County Tax Assessor as portions of TMS #s 400-00-00-087 and 102. The property is known as the South Carolina Department of Commerce, Division of Public Railways Parcel 14A ("DRP Parcel 14A"). DPR Parcel 14A is hereafter known as the "Subject Property."

Our update of the original Phase I ESA included a review of the public records available since our original report, an updated environmental lien search provided by the User, site reconnaissance, and interviews with the current property owners and the local fire department serving the site. The results of these activities are summarized in the following paragraphs.

THW

PUBLIC RECORDS REVIEW

S&ME contracted Environmental Data Resources, Inc. ("EDR") to conduct an environmental search and prepare a Site Assessment Report compiling federal and state environmental database information from the regulatory records of the United States Environmental Protection Agency ("USEPA") and the State of South Carolina. The purpose of the EDR Report (dated October 20, 2012) was to identify environmental sites and activities within a radius of potential concern from the Subject Property, as outlined by ASTM E 1527-05. The following table lists databases included in the search. The EDR report, including descriptions of the databases, is attached to this report.

Our review of the database search results identified the following sites in the May 10, 2012 database report, but are not included in the database search referenced above:

- Former Dryclean USA Coastal Inc. (May 10, 2011 - EDR Map number 36) – This site was listed on the SHWS and DRYCLEANERS databases. This site is ranked #285 (low priority);
- Baker I-26 site (May 10, 2012 – EDR Map number 37) - This site is listed on the SHWS, ALLSITES, and BROWNFIELDS databases. This site is listed as having a current Voluntary Cleanup Contract ("VCC") number 05-5635-NRP;
- Mobile Chemical Co. (May 10, 2012 – EDR Map number 38) - This site is listed under numerous databases and has numerous violations described in the referenced report above; and
- SWIFT-AGRI-CHEM Corp (May 10, 2012 – EDR Map number 39) - This site is listed under numerous databases and has numerous violations described in the referenced report above.

Additionally, the database search above identified two (2) sites not previously listed in the May 10, 2012 database search, but based on the distance from the site, current regulatory status, and intervening topography, are considered findings:

- Charleston Steel and Metal (October 30, 2012 – EDR Map number 16) - This site is listed under the SWRCY database with no violations; and
- Carner Industrial Park (October 30, 2012 – EDR Map number 20) - This site is listed under the SHWS and BROWNSFIELDS databases. There is an active VCC number 12-6091-NRP for this site.

INTERVIEWS

Interview with Past and Present Owners

S&ME attempted to interview Mr. Robert Ryan, representative of the Charleston Naval

Complex Redevelopment Authority ("CNCRDA"), the current title holder to Parcel 14A. As of the date of this report, no response was provided by Mr. Ryan.

S&ME attempted to interview Mr. Art Sanford and Mr. David Criswell, representatives for the former owner of the Subject Property, the United States Navy ("US Navy"). As of the date of this report, Mr. Criswell and Mr. Sanford have not responded to our inquiries. Based on the available information provided by Mr. Criswell and reviewed by S&ME during the Phase I ESA dated September 6, 2012, this is considered an insignificant data gap.

The lack of interview responses from the current and former owners of the Subject Property is considered an insignificant data gap.

Interview with Key Site Manager

Currently, the Subject Property is leased from the current owner by the South Carolina State Ports Authority ("SCSPA"). S&ME interviewed SCSPA representative Mr. Ben Morgan regarding use of the Subject Property by SCSPA during the last six months. The interview responses provided by SCSPA indicated SCSPA were unaware of any changes to the Subject Property or violations due to their use of the Subject Property and have not been notified by the current or former owner of newly discovered environmental issues. Mr. Morgan also stated he was unaware of any additional changes to the newly identified AOC 736.

Interview with Occupants

S&ME interviewed a Liberty Terminal employee at Building 1197. Liberty Terminal leases a portion of DPR Parcel 14A from the SCSPA via the current owner (CNCRDA). S&ME observed 4 aboveground storage tanks ("ASTs") on the property that were not present during the September 6, 2012 Phase I ESA. The employee stated the ASTs were three (3) off-road diesel fuel tanks and one (1) propane AST and were brought to the property approximately 3 weeks prior.

Interview with Local Government Officials

We contacted the Fire Chief Kyle Minick with the North Charleston District Fire Department (843-740-2619), who stated he was unaware of any fires, clandestine laboratories, or hazardous material emergency responses to this area.

Interviews with Others

S&ME attempted to contact Ms. Beth Woodall (City of North Charleston-Legal Department) regarding the known presence of clandestine drug labs in the area. As of the date of this report, no response has been provided to S&ME. This is considered an insignificant data gap.

SITE RECONNAISSANCE

Mr. Jeremy Williams (S&ME) performed a site reconnaissance of the Subject Property on November 5, 2012. There are no significant changes to the Subject Property compared

to those observations made in the July 2, 2012 Phase I ESA, with the exception of the presence of four (4) ASTs that are now located east of Building 1197, and are currently being used by Liberty Terminals. Three (3) ASTs contain off-road diesel fuel and one (1) AST contains propane. The ASTs appear to be approximately 250-500 gallons in size. The ASTs are not secondarily contained, but are protected by concrete barriers and fencing on one side. There was no observable staining on the ground. Photographic documentation is provided as an attachment to this update report. **Based on the presence of the four ASTs without secondary containment or spill prevention measures that were recently moved to the Subject Property, this is considered a new *recognized environmental condition*.**

ENVIRONMENTAL LIEN SEARCH

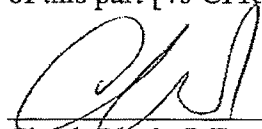
The User provided S&ME with an environmental lien search completed on November 5, 2012. There are no environmental liens on the Subject Property.

CONCLUSIONS

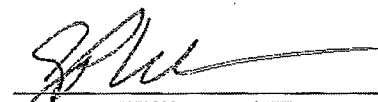
S&ME, Inc. has performed an update of the Phase I ESA for Parcel 14A dated November 7, 2012 in general accordance with ASTM Standard Practice E 1527-05. Based on the database report, interviews, site reconnaissance, and environmental lien search, S&ME noted one additional *recognized environmental condition* to the Phase I ESA Report dated September 6, 2012 for the Subject Property.

DECLARATION

We declare that, to the best of our professional knowledge and belief, that we meet the definition of *Environmental professional* as defined in paragraph 312.10 of 40 CFR 312, of this part [40 CFR 321.21 (d)].

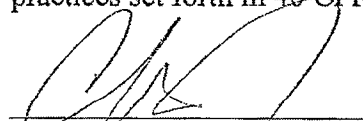


Chuck Black, P.E.
Environmental Professional




Jeremy Williams, CIE
Environmental Professional

We have the specific qualifications based on education, training, and experience to assess a *property* of the nature, history, and setting of the subject *property*. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312."



Chuck Black, P.E.
Environmental Professional




Jeremy Williams, CIE
Environmental Professional


S&ME appreciates the opportunity to be of service to you. If you have any questions regarding the outlined scope of work, or if we may be of any further assistance, please call.

Sincerely,

S&ME, Inc.



Jeremy P. Williams, CIE
Industrial Hygienist



Chuck Black, P.E.
Senior Reviewer

Attachment: Photographs

ATTACHMENT

12/1

Parcel 14A Update Photographs



3 off-road diesel fuel ASTs and 1 propane AST east of Building 1197, looking east.



4 ASTs looking south from DPR Parcel 14B.

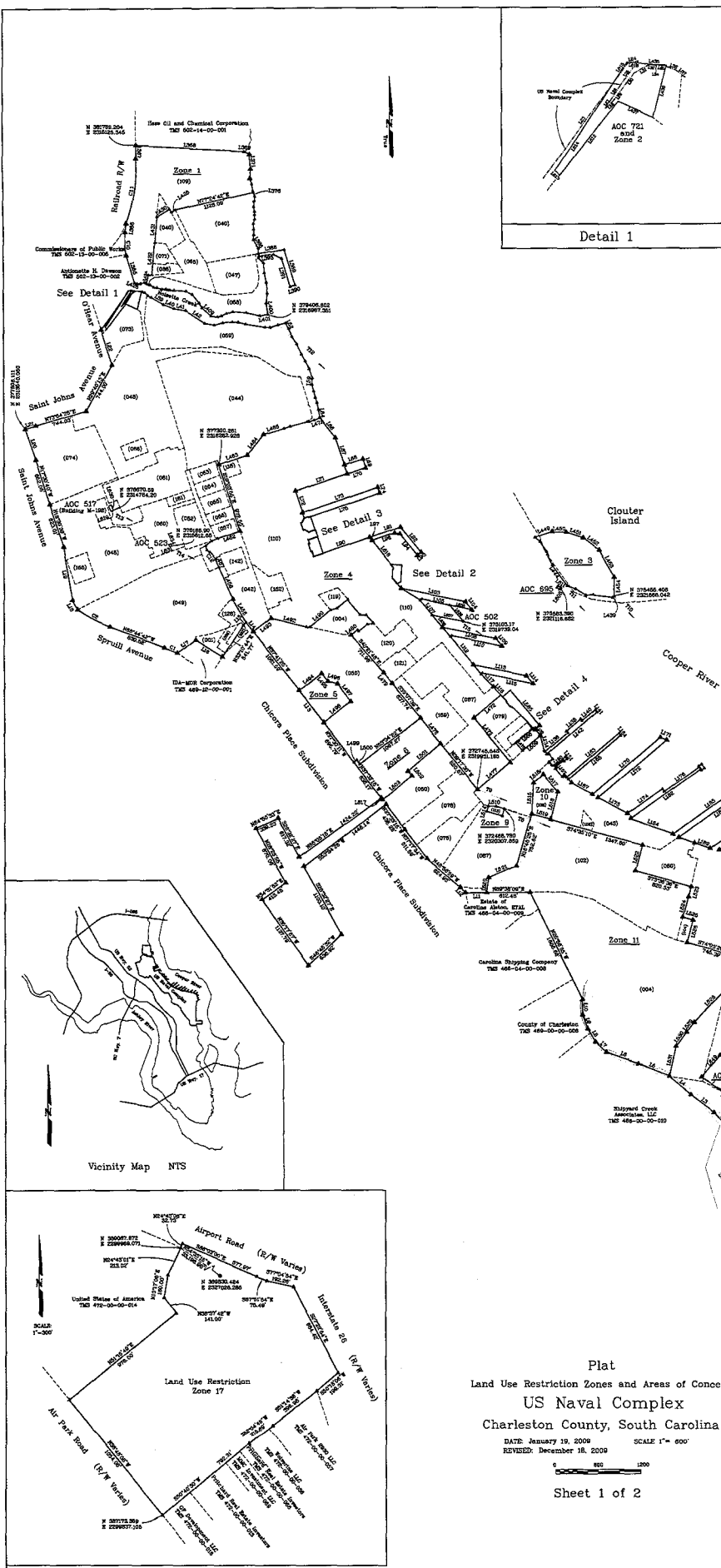
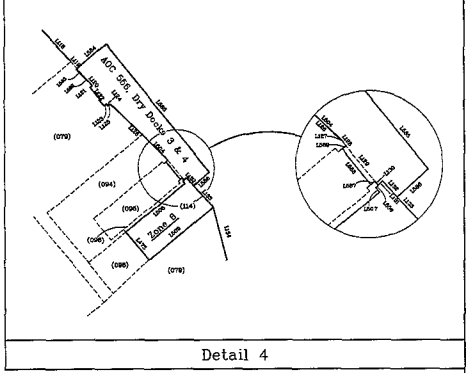
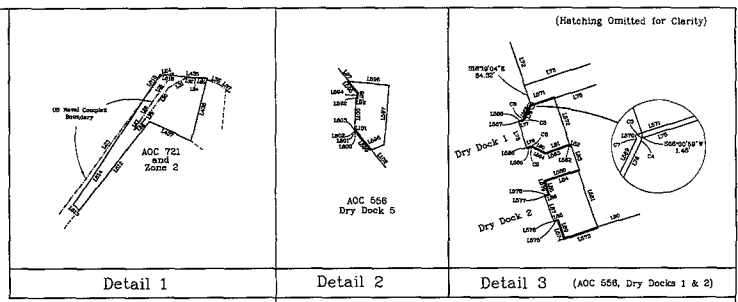
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APPENDIX B

Plat of Early Transfer Parcels

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive name.

(Hatching Omitted for Clarity)



Plat
Land Use Restriction Zones and Areas of Concern
US Naval Complex
Charleston County, South Carolina
DATE: January 19, 2009 SCALE 1"= 800'
REVISED: December 18, 2009
Sheet 1 of 2



LEGEND:
● MONUMENT "2009"
A Calculated Point
(004) The Parcel Boundary
Current Easities

I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and more or exceeds the requirements for a Class A survey as specified therein.

James C. Penington, P.L.S. No. 10291
Palmetto Land Surveying, Inc.
2005 D Semanah Highway
Charleston, S.C. 29417 875-5321

APPENDIX C

Declaration of Covenants and Restrictions

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive name.

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

)
)
)
DECLARATION OF COVENANTS
AND RESTRICTIONS

THIS DECLARATION OF COVENANTS AND RESTRICTIONS is made and entered into this 11th day of August 2005, by the Charleston Naval Complex Redevelopment Authority, a state legislated entity, hereinafter referred to as the RDA.

RECITALS

WHEREAS, the RDA is the owner of certain real property in Charleston County, South Carolina, more particularly described in Exhibit A attached hereto and incorporated herein by reference ("Property"); and

WHEREAS, hazardous substances/constituents in excess of allowable concentrations for unrestricted use remain at the Property; and

WHEREAS, the Property may be used for certain purposes without further remediation so long as appropriate restrictions are placed on development and use of the Property, as provided herein; and

WHEREAS, the RDA desires to use or transfer the Property without conducting additional remediation and, at the request of the South Carolina Department of Health and Environmental Control (Department), has agreed to impose restrictions on the manner in which the Property may be developed (said restrictions to run with the land and inure to the benefit of and be enforceable by the Department and its successor agencies); and

WHEREAS, the Department agrees not to require the Property to meet standards more stringent than those required for industrial use - excluding those solid waste management units (SWMUs) and areas of concern (AOCs) identified in Exhibit B. The SWMUs and AOCs identified in Exhibit B as restricted are being remediated. The final remedial objective for these SWMUs and AOCs is unrestricted use (residential), so no restrictions and land use controls are anticipated if the final remedial objective is met; and

WHEREAS, this Declaration relies on information contained within documents attached as exhibits, those exhibits are incorporated by reference where used herein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the RDA hereby declares and covenants on behalf of itself, its heirs, successors, and assigns that the Property described in Exhibit A shall be held, mortgaged, transferred, sold, conveyed, leased, occupied, and used subject to the following restrictions, which shall touch and concern and run with the title to the Property.

True

1. The RDA hereby covenants for itself, its heirs, successors and assigns that the Property shall not be used for agricultural or residential activities or any other activities that may disrupt the effectiveness of the restrictions and land use controls, as further identified and explained within this Declaration, and that the groundwater located beneath the property shall not be used or extracted except for monitoring, remedial action, or foundation construction, which requires prior approval from the Department or its successor agency.
2. The RDA hereby covenants for itself, its heirs, successors and assigns that the restrictions and land use controls set forth and specified in Appendices A and D of the Interim Measures Work Plan for Interim Land Use Controls (Exhibit C), or the Corrective Measures Implementation Work Plan, whichever is more recent, shall be maintained to the satisfaction of the Department. The Interim Measures Work Plan and the Corrective Measures Implementation Work Plan are associated with Resource Conservation and Recovery Act (RCRA) Permit SC0 170 022 560.
3. The RDA covenants for itself, its heirs, successors and assigns that the Department shall be provided reasonable access to inspect the property, to oversee the activities conducted on the property, or to take samples as may be necessary to enforce this Declaration.
4. The RDA covenants for itself, its heirs, successors and assigns that written notice must be given to the Department at least thirty (30) days prior to property conveyances. This provision shall apply to all transactions that occur after August 30, 2005. The notice shall indicate the following:
 - (a) The type of property conveyance (e.g., an easement, or right of way, etc.);
 - (b) The anticipated final date for the conveyance;
 - (c) Future property owners;
 - (d) A list of SWMUs and/or AOCs affected by the conveyance; and
 - (e) Mechanism(s) that will be used to maintain any LUCs which may need to remain in place after the property conveyance.
5. The covenants and restrictions set forth herein shall run with the title to the Property and shall be binding upon the RDA, its heirs, successors and assigns. The RDA and its heirs, successors, and assigns shall

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include the following notice on all deeds, mortgages, plats, or any other legal instruments used to convey any interest in the Property (failure to comply with this paragraph does not impair the validity or enforceability of these covenants):

NOTICE: This Property Subject to Declaration of Covenants and Restrictions Recorded at _____

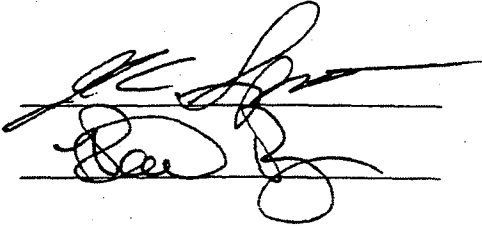
6. The RDA or, upon subsequent transfer, its heirs, successors and assigns shall submit to the Navy a statement of maintenance of the covenants and restrictions as set forth above annually on the anniversary date of this Declaration.
7. This Declaration shall remain in effect until such time as the Department has made a determination that the covenants and restrictions set forth herein are no longer necessary. This Declaration shall not be amended without the written consent of the Department or its successor agency. Any change in the covenants and restrictions set forth herein or property conveyances may be considered a land use change as defined in section II of Appendix F [Land Use Control Management Plan (LUCMP)] of RCRA Permit SC0 170 022 560. As such, land use changes are subject to the permit modification requirements as described in sections III and V of the Appendix F (LUCMP), attached hereto as Exhibit D. All SWMUs and AOCs located on the Property covered by this Declaration are listed in Appendix A-8. that is referenced in Appendix F and, therefore, are subject to Appendix F.
8. This Declaration only applies to the Property expressly identified in Exhibit A and does not impair the Department's authority with respect to the Property or other real property under the control of the RDA.
9. The covenants and restrictions contained within this Declaration supplement and shall not be construed as displacing, modifying, or waiving covenants and limitations contained in the deed transferring title of the Property to RDA (filed on July 12, 2005 and recorded in Book 0544, at Page 666).
10. Should any separable part of these restrictive covenants be held contrary to law, the remainder shall continue in full force and effect.

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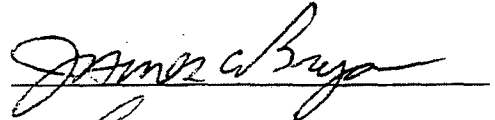
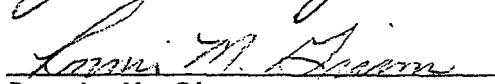
IN WITNESS WHEREOF, the RDA has caused this instrument to be executed by an individual authorized to sign on its behalf as of the date first above written.

WITNESSES:

Charleston Naval Complex
Redevelopment Authority



By:



Ronnie M. Givens

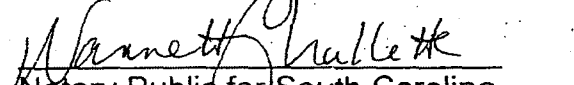
STATE OF SOUTH CAROLINA)

ACKNOWLEDGEMENT

COUNTY OF CHARLESTON)

I, Wanneth Hallett (Notary Public), do hereby certify that an authorized representative of the Charleston Naval Complex Redevelopment Authority personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 10 day of August, 2005


Notary Public for South Carolina
My Commission Expires: 4/28/15

IN WITNESS WHEREOF, the Department has caused this instrument to be executed as of the date first above written.

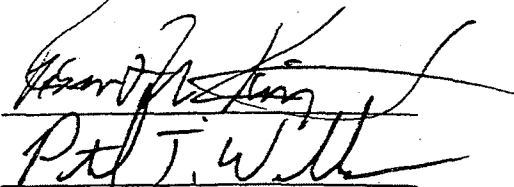
WITNESSES:

South Carolina Department of Health
and Environmental Control

By:



C. Earl Hunter, Commissioner
South Carolina Department of Health and
Environmental Control



THC

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

ACKNOWLEDGEMENT

I, CARLISE ROBERTS, JR. (Notary Public), do hereby certify that C. Earl Hunter, Commissioner of the South Carolina Department of Health and Environmental Control, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 11TH day of AUGUST, 2005.

Carlisle Roberts, Jr.
Notary Public for South Carolina
My Commission Expires: 6/11/2013

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APPENDIX D

Process to Conduct Construction Activities in Areas under Land Use
Controls at the Charleston Naval Complex, Revision 3 dated April 2007

Process to Conduct Construction Activities in Areas under Land Use Controls at the Charleston Naval Complex

Background

The Department of the Navy (Navy) continues to complete necessary Corrective Actions for past releases of hazardous wastes and/or hazardous constituents at the Charleston Naval Complex (CNC) as required by the Hazardous Waste Permit (SC0 170 022 560) issued to the Navy by the South Carolina Department of Health and Environmental Control (SCDHEC). To facilitate those Corrective Actions and to ensure that human health and the environment are adequately protected both in the interim and long term, certain Land Use Controls (LUCs) were imposed via deed recorded restrictions at the time of property conveyance from the Navy to the Charleston Naval Complex Redevelopment Authority (CNCRDA). Those LUCs may be short term or long term depending on several factors: the physical and chemical properties of the contamination; the concentration of contaminants and the properties of the media where the contamination is located; and subsequent landowner election to remove residual contamination for specific redevelopment objectives. Because these legally imposed restrictions can be violated if not properly observed during construction activities by subsequent landowners or operators, appropriate LUC management procedures must be followed in order to ensure that the integrity of those contaminated site remedies which have been or which may later be completed by the Navy will be maintained.

In addition to deeds, restrictions are also provided in a Restrictive Covenant (RC) as well as Voluntary Cleanup Contracts (VCC) which are in place to ensure that LUCs remain effective.

Construction Activities Criteria

The Navy, in conjunction with the SCDHEC (Bureau of Land and Waste Management) and the U.S. Environmental Protection Agency (EPA), has developed a process for use by subsequent landowners or operators when conducting construction activities in areas where LUCs exist. The process includes submittal of information necessary to evaluate whether construction activities may have an adverse effect on LUCs and remedies in place at the CNC. This information will be provided via a LUC Area Construction Permit request to the Navy for authorization to proceed. The LUC Area Construction Permit form is provided at the end of this procedure. Landowners and their assigns should always use the most current version of the form (currently Revision 3, April 2007).

Prior to Construction: Each landowner shall submit information to the Navy a minimum of 90 days prior to beginning any on-site construction activity which will impact a site-remedy based LUC. For smaller projects, a shorter timeframe may be negotiated with the Navy (and SCDHEC) as needed. Provision of information to the Navy does not relieve the landowner from compliance with all applicable federal, state, and local regulations which otherwise apply. In addition, a 60-day written notification requirement applies in those cases where the landowner intends to change the approved land use.

The following information shall be provided by the landowner and will be included with the LUC Area Construction Permit request:

1. A description of the intended reuse(s) of the property and new facilities / utilities intended to be constructed.
2. A proposed construction plan, including engineering plans and specifications. This includes construction methods, engineering calculations, and onsite tests that demonstrate knowledge of site conditions, infrastructure, utilities, and site geology.
3. A schedule setting forth the planned timeframe for construction.
4. A site plan with appropriate figures that identifies: the extent of the proposed construction relative to the location of all known SWMUs, AOCs, and associated LUCs on the property; location of groundwater monitoring wells; site topography; current and future underground utilities and any other intended underground infrastructure(s); and the direction of future storm water runoff.
5. A description of the residual contamination known to exist on the property and site remedy related LUCs in place, and any potential effect the proposed construction may have on these existing site conditions and controls. The Navy will provide source information to assist the Landowner, during the Construction Permit request process, to identify residual contamination at the proposed construction areas. The Landowner and/or its construction agents (i.e., A-E consultants, contractors, and subcontractors) will, in turn, perform testing of environmental media utilizing this source information as well as other information gathered during construction activities. The Landowner and/or its construction agents are responsible for the quality and adequacy of testing and disposal of environmental media targeted for off-site disposal.
6. An acknowledgment that all General Contractor personnel and the Project Manager for each Subcontractor which may be involved in site excavation activities have (or will prior to the start of any site excavation activities) been provided with a copy of the LUC Construction Area Permit for the project so that they will be aware of known residual contamination on the property, the LUCs in place, and any potential effect the proposed construction may have on these existing site conditions and controls.
7. A description of how hazards will be controlled where construction activities have the potential to interfere with these existing site remedies and imposed LUCs.
8. If applicable, design plans for any desired irrigation or dewatering well(s) and proposed well locations both on the property and relative to the location of each SWMU or AOC situated on the property.
9. A description of what actions will be taken to monitor impacts to the remedy as a result of construction activities. This includes, at a minimum, impacts to groundwater

flow direction, vertical migration of residual contamination and the potential for contaminants to migrate to indoor air.

10. A description of what actions will be taken in the event the human or ecological exposure assumptions used in deriving the LUC(s) component of any interim or final SCDHEC approved site remedy are altered. In accordance with the Navy's Hazardous Waste permit (SC0 170 022 560), this would constitute a Land Use Change and would require a permit modification request. The Navy will provide to the Landowner and/or its construction agents source information which includes exposure assumptions used in deriving LUCs. These sources will include the "Interim Measures Work Plan (IMWP)" and "Corrective Measures Implementation Plan (CMIP) for Land-Use Control Sites". These sources provide concise summary information about LUC sites, including: site description, site concerns, exposure potential and control (i.e., risk, reuse, exposure, and LUCs), and other references. It is the responsibility of the Landowner and/or its construction agents to review these sources of information and to implement exposure controls which meet all federal, state, and local laws and regulations.

Each landowner must receive authorization to proceed prior to initiating proposed activities. The Navy as RCRA permittee will consult with and obtain approval from SCDHEC in determining the adequacy of the proposed construction with respect to maintaining remedy integrity. The Navy will then provide a written response to the landowner regarding their submittal via the LUC Area Construction Permit. The response may authorize the landowner to proceed with construction activities, request further information, provide terms or conditions regarding construction activities, and in rare instances deny construction activities. Navy authorization to proceed with construction does not constitute approval of methods by which environmental, safety, and other regulations are satisfied.

During Construction: Each landowner shall adhere with all applicable federal, state, and local regulations. Specifically, each landowner shall properly address the following issues during construction:

1. Control of exposure to residual contamination to workers on-site, personnel at adjacent businesses, and nearby residences. For example, control of fugitive dust emissions, personal protective equipment (PPE), and exclusion zones are examples of exposure controls.
2. Reporting any previously unknown contamination to the Navy within 7 days of discovery. All work must stop upon discovery of unknown contamination.
3. Management of excess contaminated soil or groundwater.
4. Provision of information to contractors and subcontractors regarding residual contamination on property, including safety meetings, posting of information at job-site, etc.

After Construction: Upon the completion of an approved construction activity where the potential existed for disturbance of residual contamination at a site or area with LUCs, the landowner shall:

1. Provide a post-completion LUC compliance report or similar report if required by their VCC;
2. Assume responsibility for any additional site monitoring (including requiring the landowner to install and maintain additional groundwater monitoring wells, if deemed necessary by SCDHEC and the Navy), or other responsibilities agreed to as part of the LUC Area Construction Permit process; and
3. Provide SCDHEC and the Navy with continued access to the site for remedy integrity inspection and surveillance purposes.

Voluntary Cleanup Contracts

The use of Voluntary Cleanup Contracts (VCCs) under the state Brownfields Program is recommended in order for subsequent landowners to obtain liability protection from SCDHEC based upon their (and/or day-to-day operators of the property) future actions to ensure the proper maintenance of all imposed LUCs and associated site remedy(ies) integrity. It is recommended that each landowner either assume responsibility under the existing CNCRDA VCC or negotiate a separate VCC with the SCDHEC that provides a Non-Responsible or Responsible Party status based on compliance with the aforementioned conditions and intended future operations on their property.

APPENDIX E

Land Use Controls and Inspection Frequency for the Charleston Naval Complex SWMUs and AOCs

Annual Land Use Control (LUC) Compliance Certification

Charleston Naval Complex

EPA I.D. No SC0170022560

Property Owner: South Carolina Public Railways

Property Conveyed Since Last Inspection?

Date: _____

Site (SWMU site numbers through 499; AOC site numbers 500 and higher)	Restricted Media		Use Restrictions Communicated in Deed	Any LUC Violations Were Reported Within 3 Business Days of Discovery	Explanation of Actions Taken or to be Taken Provided Within 10 Days of Discovery	Groundwater Not Being Used	Monitoring Wells Not Disturbed	Land Not Being Used for Residential Use	Land Not Being Used for Recreational Use	Land Not Being Used for Agricultural Use	Soils Not Disturbed or Disturbed with Authorization via LUC Area Construction Permit	Engineering Controls Maintained	Landfill Cover Not Disturbed or Disturbed with Authorization via LUC Area Construction Permit	Zone	Notes (restrictions) W = groundwater use restriction; U = use restriction; E = engineering controls; D = digging/excavation restriction
	Groundwater	Soil													
3	•	•												G	W, U, D
24	•	•												G	W, U, D
607	•	•												F	W, U, D
633	•	•												G	W, U, D
Petrolium Sites (not yet documented in the permit with LUCs, but interim LUCs are desirable)															
622-627	•	•												G	W, U, D
709F	•	•												F	W, U, D
728	•	•												F	W, U, D
732	•	•												G	W, U, D

Handwritten initials

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Check Type of Inspection: Drive-through Walk-through

[Handwritten signature]

Address _____

City _____

Zip Code _____

A map is attached showing the LUCs in place at each site.

[Handwritten signature]